



WaterAid/ Basile Ouedraogo

Our impact

UK Annual Report
2023–24



WaterAid

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▼ Manaisoa, 29, playing with Fitiavantsoa outside their home in Andavabaza village, Behara commune, Amboasary District, Anosy Region, Madagascar, June 2022.



WaterAid/ Ernest Randriarimalala

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WaterAid/ Khaula Jamil

▲ Shahzadi, 13, collects water from a newly built handpump in her village in Badin, Sindh, Pakistan. November 2023.

Find out more about our latest achievements and the issues facing our work at:

[f /wateraid](#) [X /wateraidUK](#) [v /wateraid](#)

On the cover: Mayaman Malle, 55, watering onions crops inside the women's market garden, in the village of Tigama, Bla, Segou Region, Mali, March 2022.

School WASH club girls members, left to right, Stéphanie, 17, Phasila, 16, Juvanah, 13, Kennie, 15, and the president Anita, 13, standing outside the girl's toilet blocks, Ambataria secondary school, Fenerive Est, Analanjirofo region, Madagascar, April 2024.

WaterAid/ Ernest Randriarimalala



WaterAid

Moving into a new chapter



WaterAid/ Katie McCraw

In 2023–24 the combined efforts of the global WaterAid community brought us another step closer to our vision – everyone, everywhere with clean water, decent toilets and good hygiene. Around the world, through our work with communities, millions more people tasted clean water, used a safe and private toilet and washed their hands with soap for the first time. With these three things, children have swapped buckets for schoolbooks, adults have unlocked the doors to small businesses, and everyone has a better chance to stay healthy and happy. What an incredible difference you helped to make.

▼ Sidney, 9, washing his hands at one of the handwashing stations outside the primary school's new sanitation block, Vhembe district, Limpopo province, South Africa, June 2023.

Together we achieved all this despite significant challenges. Extreme weather, made worse and more frequent by climate change, diverted resources and threatened to undo progress. Global inflation made it more expensive to get things done in the countries where we work. And the ongoing cost-of-living crisis at home put pressure on our supporters' ability to give. But none of this could stop the determination of our staff, volunteers and supporters to make good things happen.

A global strategy for local change

This year we completed the transition to our new ten-year Global Strategy, beginning an exciting new chapter in our journey.

This builds on decades of experience supporting people to change their lives with clean water, toilets and hygiene. It continues the approaches we know deliver results – working with communities, service providers and local governments to build waterpoints and toilets, run behaviour change campaigns, and plan for ongoing maintenance and repairs.



WaterAid/ Ernest Pandriarimalala



Jenitha, 21, gives her baby Regina water from one of the new community taps in their coastal community in East Sepik, Papua New Guinea, April 2024.

WaterAid/ Tariq Hawari

Now we seek to work alongside hundreds of millions more people to bring clean water, toilets and hygiene to their communities. Our work will be focused on four aims:

1. Achieve universal, sustainable and safe services in focused geographic areas to influence wider change
2. Prioritise water, sanitation and hygiene across the health sector to improve public health
3. Strengthen the resilience of water, sanitation and hygiene to climate change
4. Increase the quantity and quality of financing.

We know change happens at the country level, with global leadership. So our in-country teams have each chosen strategic areas to focus on that will have the most impact in their contexts. This will lead to bigger, faster, more sustainable changes.

Everything is connected

In 2023–24 we saw an encouraging trend in the integration of water, sanitation and hygiene into high-level conversations about health and climate change. National decision makers increasingly understand that these fundamentals are the foundation on which progress towards other Sustainable Development Goals (SDG) can be built.

Throughout the year, we engaged with health ministers and health sector workers to advocate and support urgent action to put clean water and toilets in all healthcare facilities. These essential services are relatively simple and cost-effective ways to tackle emerging challenges such as pandemics and antimicrobial resistance. So it is encouraging to

see water, sanitation and hygiene now being an integral part of many national policies and plans on health.

At COP28 in Dubai WaterAid raised awareness of the links between climate change and access to clean water at the highest level. In Uganda we were contracted to manage and execute the Adaptation Fund, recognising our climate change work in the country to date. And in November we headed to Nigeria to discuss with political leaders and heads of commerce the impact of a warming planet on services in Lagos. While the risks to people's safety, health and livelihoods are enormous, there is still time to build resilience and support communities to adapt. The Resilient Water Accelerator – a WaterAid initiative attracting considerable private sector investment – is showing the scale of the response that is needed and possible with political will.

Strength in diversity

In 2023–24 we continued to recruit and promote staff in-country across our global federation, while increasing representation and diversity at our most senior levels. We welcomed Amaka Godfrey as Executive Director, International Programmes and Syed Abdul Muntakim in the role of Executive Director of Finance and Strategic Planning. And we appointed five new trustees to our board – Mamadou Biteye OBE, Ashvin Dayal, Simi Kamal, Sanjay Nair and Nina Jasinski – bringing more expertise and experience from the countries where we work.

We are extremely grateful and honoured that HM King Charles III will continue his close relationship as our Royal Patron, having played a hugely significant role over the past three decades of support.

And our special thanks go to all of our supporters who continue to believe in the transformative power of clean water, decent toilets and good hygiene. As we begin to implement our new strategy, we will need every one of you by our side to meet the challenges that lie ahead and reach everyone, everywhere. Thank you for your generosity, partnership and belief in our shared vision.

T. J. Wainwright

Tim Wainwright
Chief Executive

A. J. Green

Andy Green CBE
Chair of Trustees

Our impact



Working in partnership

In 2023–24 WaterAid worked with **224 partner organisations** on **222 projects**. Our partners included:

104 governmental bodies and **73 non-governmental organisations** from the local to the global.

18 primary networks or alliances, alongside a wide range of others.

Rural and urban authorities, and public utilities.

Our direct reach

Since 1981 WaterAid has directly reached:



28.9 million
people with
clean water



29.2 million
people with
decent toilets



28.7 million
people with
good hygiene



◀ Nambi Joy, 26, Plumber, fixing a burst water pipe in the community, Namutumba Water Supply Scheme, Namutumba District, Uganda, April 2023.



▶ Dylan, 2 years and seven months old, sitting in the doorway holding a glass of clean water, Antsakambahiny village, Manjakandriana commune, Analamanga region, Madagascar, May 2024.



Delivering services directly

People we directly reached in 2023–24:

Number of people we reached directly with	Communities (in or near people's homes)	Schools	Healthcare facilities	Public facilities
Clean water	436,771	74,844	686,699	144,839
Decent toilets	252,599	106,100	860,894	20,059
Good hygiene through better facilities	105,925	219,061	872,030	21,924
Good hygiene through behaviour change activities	854,624	221,160	215,456	



Wider scale*

Below are the people we reached through influencing and capacity strengthening in nine of the countries we worked in.



Number of people we helped through influencing	Communities (in or near people's homes)	Schools	Healthcare facilities	Public facilities
Clean water	430,629	6,106	217,850	1,976
Decent toilets	60,895	9,072	36,513	0
Good hygiene through behaviour change activities	864,523	8,712	0	

*During 2023–24 many countries were transitioning to new strategies, winding down legacy projects, aligning to new selected aims, and starting up new projects. Some countries did not have projects running that contributed to indirect reach or met the eligibility criteria for reporting indirect reach.

▶ Riya Danuwar, 18, taking a break to readjust her bamboo basket and gagri (a traditional waterpot), on the way towards a water source to fetch drinking water, Dukuchhap, Nepal, March, 2024.



◀ Manaisoa, 29, getting ready for church inside her kitchen in Andavabaza village, Behara commune, Amboasary District, Anosy Region, Madagascar, June 2022.

Aim 1

Achieve universal, sustainable and safe services in focused geographic areas to influence wider change

Local examples of universal, sustainable and safe services inform and influence those in power to make bigger changes. In districts and towns, we have been working with partners to deliver and improve services for households, schools and healthcare facilities. We have partnered with public, private and non-governmental organisations to strengthen the systems that keep services working and hygiene habits reinforced. And we have enhanced the voice and representation of service users, especially women and girls.

Analysing sanitation in Madagascar

In Madagascar we have been working in our two focus districts in the south, Ambovombe and Amboasary Sud, to tackle open defecation and improve sanitation services. The Madagascar Sanitation Roadmap aims to achieve open defecation free (ODF) status in 76 urban and 99 rural communes. This includes comprehensive sanitation planning and treatment at the commune level, along with pilot projects in rural areas promoting market-based sanitation and in-situ treatment models. The two focus communes, characterised by arid climates, have populations of between 35,000 and 80,000. Challenges in the central towns are hindering overall progress towards ODF

status. However, there are opportunities to involve more stakeholders and increase public investment in sanitary blocks and inclusive local development plans. This year, to get a clear picture of the current sanitation situation, we worked alongside the public sector to collect data about existing services, identify barriers to progress, and assess the situation using WHO/ UNICEF Joint Monitoring Programme (JMP) indicators. This included household, school and healthcare facility surveys. The data has enhanced local government understanding of investment needs and areas for improvement. Stakeholders have adopted a responsibility charter to clarify roles as we support them in planning and improving services based on the collected data.

Demonstrating partnership working in Nepal

In Nepal's Lahan municipality WaterAid's Beacon Project is a multi-stakeholder partnership working towards universal access to clean water, toilets and hygiene in communities, institutions and public places to influence wider change. Lahan is one of 23 towns where the Nepal Water Supply Corporation (NWSC) is providing piped water. However, 75% of the population still doesn't have access and most are using water of unknown quality. While many people can use



◀ A water tower base at the Nepal Water Supply Corporation facility, Lahan, Nepal, October 2023.

a basic toilet, waste is not safely removed or treated. And only 15% of houses have handwashing facilities. We have been working in Lahan with financial and technical support from the Anglian Water Alliance (AWA) since 2017. In the last year, more than 2,000 additional people now have access to safely managed water as a result of project activities, including drilling three new boreholes, installing waterpoints in two separate schools and facilitating a record number of household connections to the town's piped water supply. We supported the construction of toilets and handwashing facilities in the community, four schools and one healthcare facility, alongside the promotion of good hygiene practices. To better understand the situation in Lahan and inform our behaviour change and advocacy work, we carried out a survey to measure water quality, identify key contaminants and quantify the public health risk. We completed a Climate Resilient Water Safety Plan (CRWSP) audit report recommendation and risk mitigation plan together with NWSC and AWA. Thanks to this demonstration of effective partnership working and our combined influencing, the WASH Plan and WASH Act have now been endorsed by the municipal assembly.

Laying the foundations for education in Ghana

We are working with Ghana's Ministry of Education to improve the water, sanitation and hygiene services in schools. At Moshidaboro Basic School in Bongo district we have been supporting the health, wellbeing and performance of more than 200 pupils and 5 teachers. This year we built school toilets with separate facilities for girls, boys and people with disabilities, installed a new water source, constructed handwashing stations,

and carried out hygiene education. We also engaged parents and teachers, established a water, sanitation and hygiene committee, and implemented regular cleaning schedules to ensure the ongoing management of the facilities. Feedback from parents, teachers and students has been positive, with many observing a cleaner school compound and safer environment for all. We also supported decision makers at the district and regional levels with training on the life cycle cost approach (LCCA). This led to effective planning and budgeting to manage and maintain facilities in schools across Bongo district.

Towards universal access in Rwanda

Bugesera in eastern Rwanda has faced significant challenges in improving access to water due to its geography and climate. Many communities have relied on distant and unreliable sources such as swamps, lakes and seasonal streams. In recent years WaterAid has partnered with the district and the Water and Sanitation Corporation (WASAC) to address the issue collectively. Through the Mwogo-Juru Water Supply System (WSS) project, together we have dramatically increased the availability of clean water in the district. We successfully constructed a water supply scheme, including a pumping station, 44km of pipeline and 35 public taps, providing 35,000 people with clean water. We developed and implemented hygiene behaviour change campaigns, including 'Run for Hygiene' at the Bugesera Marathon in 2023. To ensure the sustainability of the scheme, we trained water user committees in operations and maintenance (O&M), mobilised the community to encourage payment for water, and trained WASH Board members to support and challenge the district's plans. We also established a joint monitoring framework involving WASAC, Bugesera district and COFORWA (Compagnons Fontainiers du Rwanda) to ensure the scheme continues to deliver and meet required standards. Throughout this work, women's involvement in decision-making was actively encouraged.

► Bonface Chione, 31, Nurse Midwife Technician conducting a hygiene behaviour change session with women at the Ntchisi District Hospital's guardian shelter, Ntchisi, Malawi, May 2023.

Aim 2

Prioritise water, sanitation and hygiene across the health sector to improve public health

Universal, sustainable and safe water, sanitation and hygiene services are essential foundations for human health. We have been working to embed these services into health policies and programmes. This includes improving the availability and quality of inclusive and sustainable facilities and enabling safe hygiene behaviours to be practised. Our priority has been the requirements of women and girls, who make up the majority of health service users and health workers.



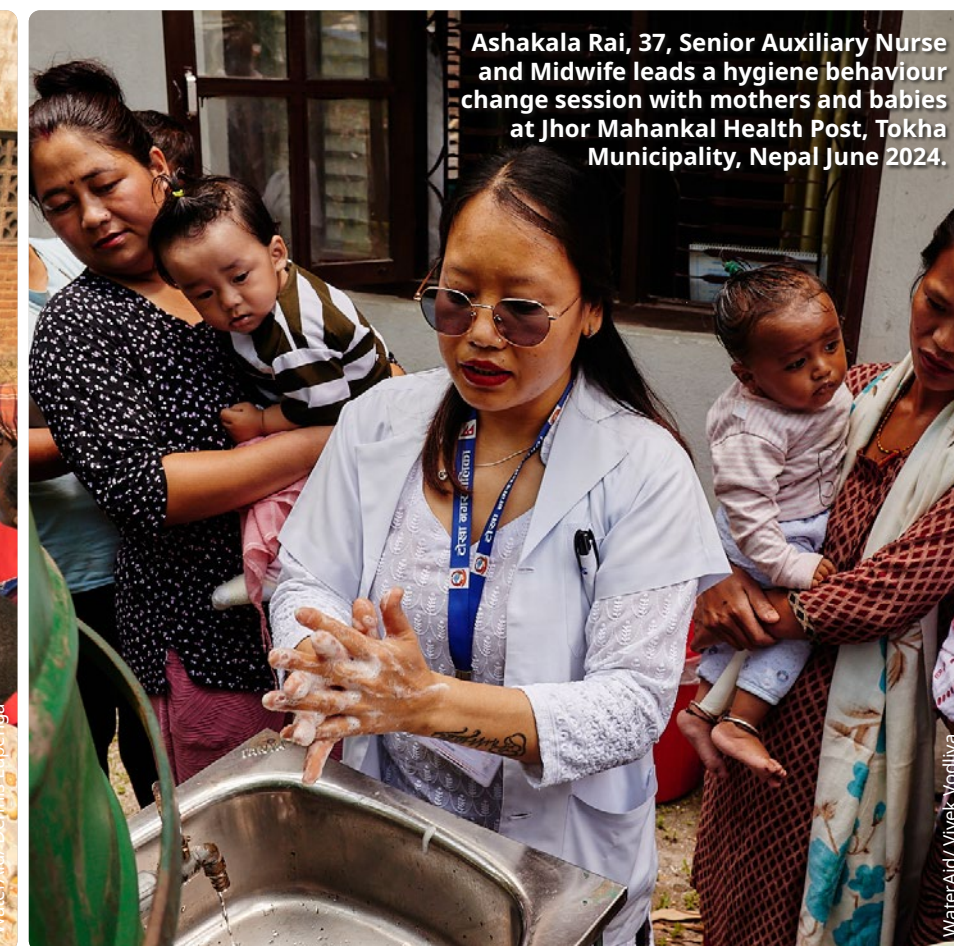
Modelling hand hygiene in Tanzania

In collaboration with the Government of Tanzania and local partners, and with funding from the Japan International Cooperation Agency (JICA), WaterAid has implemented a behaviour change project in healthcare facilities in Kisarawe district in Tanzania. This project aims to build on the impact of water and sanitation services in the area with improved hand hygiene practices among healthcare workers, preventing the spread of infectious diseases. Through the project, we have installed a rainwater harvesting system, upgraded sanitation facilities, and put new handwashing stations in 15 healthcare facilities serving around 40,000 patients a year, adhering to both national and international standards. We have also designed an evidence-based hygiene behaviour change intervention through a creative process targeting healthcare staff. This year, we facilitated six hygiene behaviour change sessions with more than 60 health workers to establish sustainable hygiene behaviours in the workplace. Various behavioural nudges were placed in key locations in healthcare facilities. The project results provide evidence that combining infrastructure improvements with behaviour

change interventions supports positive hygiene practises among staff. The overall outcomes of this project will be assessed in May/June 2024.

Promoting hygiene through immunisation in Nepal

Routine immunisation programmes present an ideal opportunity to raise awareness of safe hygiene practices. With support from WaterAid and partners, the Government of Nepal scaled up its Hygiene Promotion Through Routine Immunisation programme back in 2020/21 to annually engage around 530,000 mothers or guardians taking children below 15 months for their vaccinations. This year we influenced the government to increase the share of the national immunisation budget allocated to hygiene intervention activities by 3%. We contributed to the National Immunisation Strategy (NIS) 2023–30 which improves government accountability. And we assisted in the procurement of 20,000 new hygiene promotion packages and 400,000 take-home materials to reinforce and prompt hygiene behaviours. More than 1,700 new health workers received hygiene promotion training and more than 13,000 had a refresher, ensuring the continued impact and scale of this government-led work.



Ashakala Rai, 37, Senior Auxiliary Nurse and Midwife leads a hygiene behaviour change session with mothers and babies at Jhor Mahankal Health Post, Tokha Municipality, Nepal June 2024.

Breaking the silence on menstrual health in Liberia

Funded by Global Affairs Canada (GAC), WaterAid and partners in Liberia have been working on a menstrual health and sexual and reproductive health and rights (SRHR) project. HerWASH is taking place in 15 communities and 11 schools in Grand Cape Mount County. In this rural county in Western Liberia, social cultural barriers undermine gender equality and women's and girls' access to SRHR services. The project aims to improve comprehensive sexual and reproductive health and rights with a focus on women and adolescent girls through menstrual health interventions. This year we trained 120 menstrual hygiene champions and 40 menstrual pad producers in 15 communities. We ensured sanitation facilities were equipped for menstrual hygiene management (MHM) in 10 schools. And we supported the development and launch of the National MHM Guidelines. These activities have broken the silence around menstruation, empowered women and girls to stay healthy, and laid the foundations for wider changes in the country.

Aim 3



Strengthen the resilience of water, sanitation and hygiene to climate change

Universal, sustainable and safe water, sanitation and hygiene can only be achieved if services are designed to withstand climate threats and be quickly restored after extreme weather. We have been supporting communities, institutions and service providers to assess climate vulnerabilities and develop services that can withstand shocks. At the same time, we have been influencing investment in climate-resilient water, sanitation and hygiene finance and engaging with high-water-use sectors to improve water security.

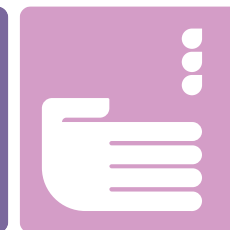
Strengthening water security in Burkina Faso

In Burkina Faso we have been working with local authorities, farmers and communities to improve the climate resilience and water security of rural populations. Together we are achieving this through: improving access to reliable and inclusive water services; making the management of water resources more effective and equitable; and supporting people to manage threats to water security, such as droughts, heightened demand in the dry season and catchment degradation. This year, we drilled boreholes and constructed two solar powered water schemes; trained local people on managing their water supply, monitoring rainfall and testing water quality; provided rain and river gauges; raised awareness and

▲ Gita Roy leader of Golap Dol with another member, inside of the Marichap Reverse Osmosis Water Plant at Tengrakhal village, Bangladesh, June 2022.



WaterAid/ Farzana Hossen



▼ Ganda Lallogo, a community relay (volunteer) of the village of Belga, reading the newly installed rain gauge, in the village of Belga, commune of Boulssa, Centre-North region, Burkina Faso, June 2021.



WaterAid/ Basile Ouedraogo

took action to protect against catchment degradation; and strengthened sub-catchment management. Communities are now collecting water resource data, planting trees in buffer zones around reservoirs to prevent erosion, and involving women and people living with disabilities in decision making.

Promoting climate-resilient services in Bangladesh

In Southwest Bangladesh, the Water Entrepreneurship for Women's Empowerment (WE-WE) project, supported with fundraising from staff and suppliers of Severn Trent, is making safe drinking water available to communities vulnerable to climate change while empowering women. Communities in Assasuni face excess salt in their water supplies due to sea-level rise and increasingly frequent

cyclones. This is forcing communities to either buy expensive water from private vendors or spend hours a day walking for water. Salinity-related diseases are common, especially among women. The WE-WE approach is supporting women entrepreneurs to construct and manage water treatment facilities that treat saline water using reverse osmosis (RO) serving 38,000 people. On average, these plants are making a profit of 23.6% enabling the women's groups to lend money to other women to establish small businesses of their own. This year we provided training for 95 women entrepreneurs on managing the plants and using the micro-finance loans, negotiated longer warranty periods with plant manufacturers and suppliers, and facilitated exchange visits for the operators of the plants to share what they have learned so far.



◀ Fidèle, 12, Abdoul, 13, Youssoufa, 13, standing in front of the block of latrines for boys, at Basgana's school A, Village of Basgana, Center-South region, Burkina Faso, April 2023.

Aim 4 Increase the quantity and quality of financing

Inadequate financing is a major barrier to progress on water, sanitation and hygiene. Substantially increasing the quantity and quality of financing is essential to ensure universal, sustainable and safe services. We have been working to secure higher and more efficient government spending, including more affordable services for low-income users. We have also been advocating increases in aid and climate finance to close SDG 6: clean water and sanitation financing gaps, and for resources to be allocated in a more transparent, efficient and equitable way.

Following financial flows in Niger

The financing needs of Niger's water, sanitation and hygiene sector are estimated at US\$5.3 billion (2016–2030). However, less than a third of the budget for the first phase was mobilised, leaving major challenges ahead. In collaboration with WHO and IRC WASH, and under the leadership of the Ministry of Hydraulics, Sanitation and the Environment, we have worked to develop country WASH accounts that provide a clear overview of financial flows in the water, sanitation and hygiene sector in both development and emergency situations. Through this initiative we aim to influence the government and donors to increase the water, sanitation and hygiene budgets, allocate funds to the regions most in need, and spend the money well. This

year we established steering and technical committees, facilitated meetings between the government, NGOs and development agencies, carried out training on data collection and validation, and participated in analysing the data collected.

Getting Liberia talking water funding

In Liberia, more than 95% of funding for water, sanitation and hygiene is from donors. However, the new government has made sanitation a top priority through its ARREST (Agriculture, Roads, Rule of Law, Education, Sanitation, Tourism) national agenda. We are working with the government and our partners to increase allocations to water, sanitation and hygiene from the national budget from the current US\$1.8m to at least US\$4m annually. Our work is also focused on ensuring financing is transparent, gender-sensitive and equitable. And we are advocating that funds are effectively disbursed, monitored and appropriately accounted for. This year, our advocacy led to 2 presidential and 46 legislative election candidates pledging to increase financing, 36 newly elected lawmakers holding talks on decision-making and financing, and a 7-member Standing Committee on Water, Sanitation and Hygiene & Environment being established to oversee strategic financing decisions.

Making finance information more accessible in Zambia

In Zambia, despite access to water, sanitation and hygiene standing at 72%, 54% and 24% respectively, investment in these services accounts for only 2% of the annual national budget. To address this, we have been working as part of the NGO WASH Forum to call for increased use of the Constituency Development Fund (CDF) for water, sanitation and hygiene and raise awareness among communities of their rights to safe and inclusive services. This year we supported the simplification of the CDF guidelines and developed an easy-to-read version for community engagement. We produced a CDF analysis report, brief and infographic to support our advocacy work. And we appeared before parliamentary committees to input into the CDF Bill of 2023 and call for increased investment in water, sanitation and hygiene.

Increasing the sanitation budget in Burkina Faso

We have been working with the government and sector partners to reform the national sanitation policy in Burkina Faso and implement it in line with the African Sanitation Policy Guidelines (ASPG). In this country that is heavily reliant on outside aid, an estimated 28% of the population lacks a decent toilet. Through this project we are working alongside the government, in line with the ASPGs, to increase the budget allocation for sanitation and hygiene and ensure decision makers are accountable for providing services. This year we carried out and shared the results of studies

▼ Neomi Giana, 23, washes and hangs laundry, Mukobela community, Zambia. November 2023.



into the degree to which water, sanitation and hygiene appear in finance laws. We built the capacity of parliamentarians on financing and budget monitoring by demonstrating the gaps established in funding for drinking water and sanitation and deepening understanding around the critical role of parliamentarians in the budgetary process. And provided evidence to enable them advocate for an increase in the amount allocated to WASH. And we advocated for an increase in the water, sanitation and hygiene budget, the development of an action plan for the national water strategy, and adoption of the strategy. As a result of this work, we have seen an increase in the state budget for sanitation and hygiene in the finance law, from CFA1.5 billion in 2023 to more than CFA4 billion in 2024.

Catalysing water security investment across the world

Despite the need for urgent action, there is a global investment gap of US\$200 billion per year in water infrastructure, especially in important medium-sized projects, which not only supply water for households but also industry and agriculture. To address this, WaterAid has set up the Resilient Water Accelerator, as part of the UK Government's Just Transitions for Water Security programme. The Accelerator supports policy makers, utilities and the wider water sector to identify critical threats to water security and build a shared vision as the basis for prioritising water investment. Recognising the need to boost investment from all sources, the programme also supports investors to identify barriers to investment and catalyse increased finance. The Accelerator is already working in Lagos, Nigeria, where 90% of the 20 million residents lack access to a municipal water supply. This year we facilitated the launch of the Lagos Water Partnership, led by the Governor of Lagos, to build collaborative action and work towards mobilising private and public finance for climate-resilient water and sanitation projects. The Accelerator is also working in Bangladesh, another fast-growing economy facing major water stress. This year we worked with international consultancy firm Deloitte to engage policy makers, civil society and investors to prioritise water risk and identify investable solutions so water stress does not hinder the country's economic growth.

Looking forward to 2024–25

2024–25 is the first full delivery year of our ambitious new Global Strategy (2022–2032) after a two-year transition period. Our work will now be focused on four strategic aims to accelerate progress towards our vision of a world where everyone, everywhere has sustainable and safe water, sanitation and hygiene.

Aim 1: Achieve universal, sustainable and safe services in focused geographic areas to influence wider change

In the year ahead we will work with our partners to increase access to water, sanitation and hygiene in selected geographic areas, showing that change is possible and providing evidence on how to make it happen. To do this we will collect baseline data on national, regional and local access to understand where the need is greatest and which areas present most potential to model success. Our focus areas will include making service improvements sustainable, accelerating progress on sanitation, and ensuring women and girls have equal representation in decision making.

Aim 2: Prioritise water, sanitation and hygiene across the health sector to improve public health

In the countries where we work, we will engage with ministers and other health stakeholders to embed water, sanitation and hygiene in health policies and plans. We will show examples of the quality of services required to protect healthcare workers, patients and visitors, and advocate that national and international standards in service delivery are met. And we will promote hygiene messaging in health services, such as routine immunisation programmes, and in public buildings, such as schools, hospitals and marketplaces, to better protect people's health.

Aim 3: Strengthen the resilience of water, sanitation and hygiene to climate change

We will revise the minimum standards for climate-resilient services to move beyond infrastructure and advise on service delivery systems. Through our collaborations with governments and service providers we will strengthen their ability to respond quickly and effectively when extreme weather events occur. And we will advocate that water, sanitation and hygiene are included in climate policies and plans, making communities more resilient to climate change.

Aim 4: Increase the quantity and quality of financing

To assess where there are financing gaps and where investment needs to be better targeted, our country teams will track national budgets for water, sanitation and hygiene. We will continue to call for greater and more effective investment in services so the people most in need are reached and coverage is equitable. By supporting governments to apply for and manage funding, we will ensure money is invested where and how it can have the biggest impact.

In an exciting development of our approach, for the next three years our country teams have chosen to focus on one, two or three of these strategic aims. This will ensure their efforts best fit their national context and have the biggest potential for change.

Find out how you can support WaterAid in the year ahead, visit: wateraid.org/uk/get-involved



Tesfanesh, a 12th grader in Haro Dimal secondary school, washing her hands using the newly constructed hand-washing facility in the school, Haro Dimal Town, Berbere District, Oromia Regional State, Ethiopia, October 2023.

WaterAid/ Frehiwot Gebrewold

Our wonderful supporters

All our work in 2023–24 was made possible by the generosity, energy and commitment of the individuals and organisations that chose to support us. Because of the important part you've played, millions more people now have the clean water, toilets and hygiene services they need to stay healthy and unlock their potential.

We would like to say a massive THANK YOU to all of you who have supported WaterAid, either financially, as a volunteer, through partnering with us, or by campaigning.

People's Postcode Lottery

This year marks a decade of partnership with People's Postcode Lottery, with players raising over £25m during this time. With this funding, we've directly reached more than 2.3 million people with clean water, decent toilets and good hygiene. In 2023–24 alone the Postcode Global Trust awarded WaterAid £3.1m. Thanks to this support, many more people will be able to build healthier, more dignified and more fulfilled lives.



▲ Celebrating 10 years of partnership with the People's Postcode Lottery: WaterAid hosted a 10 year anniversary party at the London office in September 2023. Jennie York, Director of Communications and Fundraising at WaterAid as well as Callum Aitken, International Development Advisor at People's Postcode Lottery, gave speeches. Hazel Johnstone, Head of Long-term Partnerships at People's Postcode Lottery, also attended.

Doug Muncey MBE

Doug was a longtime WaterAid supporter who sadly died in January, aged 97. He was instrumental in establishing our partnership with Rotary in Great Britain and Ireland (RIBI), influencing the service organisation to choose WaterAid as its International Charity of Choice in 1992–93. Since then, close ties have been maintained and millions of pounds have been raised from more 200 clubs across the country. A volunteer for over 30 years, Doug was one of the first recipients of our President's Award in 2002 and was awarded an MBE for services to WaterAid in 2008.

Coteford Junior School

Children and young people are often in the audience at our volunteer Speaker talks and workshops. But pupils from Coteford Junior School got in touch with a unique invitation – to give a talk to us, about WaterAid. This original presentation was part of their fundraising Global Village event in summer 2023, which included international food and drink, a raffle, a magician, a cake sale, a joke teller and a dance routine. The event finished with two pupils giving a talk that was passionate, well prepared and delivered with much enthusiasm. They raised £1,100 – their highest charity fundraising total yet!

Marcus Mumford

Starting back in 2005 Marcus has now taken on more than ten fundraising challenges for WaterAid, including three London Marathons, bicycle rides across the UK and various other supporter events. Setting several Guinness World Records along the way, at the beginning of the year he became fastest person to run the London Marathon dressed as a tap – he truly is a champion WaterAid supporter!

Diageo

Global beverage company Diageo has been a valued WaterAid partner for over a decade. This year our partnership continued to develop with programmatic work across Africa and joint communications and events. Together we have showcased the importance of businesses

investing in water, sanitation and hygiene to achieve the co-benefits this brings. We thank Diageo for its continued commitment to action on clean water, both within its own supply chains and through inspiring others to support our mission.

Lord Howard Leigh of Hurley

Lord Howard Leigh of Hurley began supporting WaterAid in 2011 and has since raised over £445,000 from his annual charity runs. Over the last year, Lord Leigh raised another £49,543 for our work. Since 2022 He has also supported our mission by raising awareness of water, sanitation and hygiene in Parliament, as Co-Chair of the All-Party Parliamentary Group (APPG) on WASH. We are enormously grateful for his continued support which helps us deliver lasting change at scale.

Wimbledon Foundation

Since 2020, with funding from the Wimbledon Foundation, we have been working with our local partners to improve the water, sanitation and hygiene services and behaviours in four healthcare facilities, serving more than 300,000 patients per year in Ntchisi district, Malawi. Facilities include solar-powered water supply systems, toilets and handwashing stations. Alongside these we have developed hygiene behaviour change interventions and WASH and infection prevention and control (IPC) training materials targeting healthcare workers, patients and visitors. In this last year of the project, we finalised the WASH and IPC training package, made it available through the government website, and shared materials with both national and global stakeholders for wider rollout. The Ministry of Health is now integrating the training materials into its national IPC training curriculum for the health workforce, which will be used by national and district-level trainers across the country.

Shahbaz Arshad at Severn Trent

Shahbaz became the Severn Trent WaterAid Regional Representative in 2023, and in that time has shown outstanding passion, commitment and kindness in raising funds for our joint project in Bangladesh. He has gone above and beyond to support volunteers, organise events and engage his community. We look forward to continuing our journey together.



London Landmarks Half Marathon, 7 April 2024.

Glynn Trow

Glynn Trow, who sadly passed away in June 2024, was one of WaterAid's most-loved volunteers. As a member of the Speaker Network he delivered more than 90 talks and workshops, consistently receiving excellent feedback from audiences as "the best guest Speaker we have had". Along with being a dedicated Speaker, he took part in our 'Walk for Water' fundraiser and featured in the campaign, hand-delivered the WaterAid campaigning manifesto to his local MP's office, and volunteered with us at festivals and the RHS Chelsea Flower Show. He contributed an incredible amount to WaterAid and our cause. We will miss his warmth, energy and passion.

John Wareing, Anne Allister and Sam Wareing

John, Anne and son Sam have made fundraising for WaterAid a family affair, together supporting us for decades. John's volunteering goes back all the way to 1982, having spent most of his career in the water industry. Following this, he was a member of the Lancashire WaterAid Local Group, raising vital funds, and with Anne, became a volunteer Speaker, spreading the word about the importance of clean water to thousands. Since 2005, John and Anne have volunteered with WaterAid at Glastonbury Festival, recently joined by Sam who has been supporting us both before we're onsite and during the festival. Together the family has taken on an impressive number of WaterAid fundraising events including Coast Along, the Munro Challenge, RideLondon 100, the WaterAid Mountain Challenge and March for Water. Once again, they were back at the Glastonbury Festival this year – there's no stopping them!

Thank you

If you have supported WaterAid this year, through a donation, campaign action or partnership, you have helped make everything we've achieved possible. We can't thank everyone we'd like to in these pages but here are some of the people and organisations who have played their part in making clean water, decent toilets and good hygiene a reality for everyone, everywhere. To all our wonderful supporters and partners – thank you!

Companies and partners

Apex Group
Belu Water Ltd
Diageo Plc
DP World
Giorgio Armani Beauty
GSK
Hogan Lovells
Kimberly-Clark
Spirax-Sarco Engineering
Sulzer
Wimbledon Foundation

Philanthropists, trusts and foundations

Mr Angus Vassie
Arab Gulf Programme for Development – AGFUND
Band Aid Charitable Trust
Fondation Prince Albert II de Monaco
Lord Howard and Lady Jennifer Leigh of Hurley
Medicor Foundation
Players of People's Postcode Lottery
Professor Robert Hillenbrand and Professor Carole Hillenbrand
Sharegift
Stiftung Drittes Millennium
Tetra Laval

▼ Channan, 3, and Devit, 5, drinks cups of clean water in Kampong Chhnang Province, Cambodia, February 2023.



The Alchemy Foundation
The Constance Travis Charitable Trust
The Georg and Emily von Opel Foundation
The Reo Stakis Charitable Foundation
The Waterloo Foundation
The Zochonis Charitable Trust

Legacy givers

Everyone who made the special decision to leave the world with water in their will.

Individual and community supporters

Coteford Junior School
Frank Lawson
Glastonbury Festival
Glynn Trow
John Wareing, Anne Allister and Sam Wareing
Lions Clubs
Marcus Mumford
Matthew Beal
Rotary Clubs of Great Britain and Ireland
Sara Wilmut
Sing for Water choirs
Steve Cheshire

All our volunteers who supported our work, through the Speaker Network and our Local Groups, at festivals, universities and beyond.

Institutional fundraising

British Council Pakistan
Cowater International
Cummins
Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
European Commission
Foreign, Commonwealth and Development Office (FCDO)
Global Center on Adaptation (GCA)
International Development Research Centre (IDRC)
Irish Aid
Japanese International Cooperation Agency (JICA)
KFW Development Bank
London School of Hygiene and Tropical Medicine
Punjab Rural Municipality Services Company
Scottish Government
Swedish International Development Agency (SIDA)
Swiss Agency for Development and Cooperation
UNICEF
United Nations Development Programme (UNDP)
University of Liverpool

UK water industry staff, supply chain and customers

Affinity Water
Anglian Water Alliance partners – Beacon project
Anglian Water Services Ltd
Bournemouth Water
Bristol Water Plc
Dŵr Cymru Welsh Water
Environment Agency
Essex and Suffolk Water
Northern Ireland Water
Northumbrian Water Ltd
Scottish Government International Development Fund
Scottish Water
SES Water
Severn Trent
South East Water
South Staffs Water
South West Water
Southern Water
Thames Water
United Utilities
Wessex Water
Yorkshire Water



Financial summary

Income

Total income in 2023 - 24 was 4% lower compared to the prior year, driven by a reduction in grant funding for specific activities as major projects reached completion. Donations from individual supporters remained steady. Increased income from legacy and in memoria gifts offset a small decrease in regular giving. Donations from community events and faith groups increased on the previous year, as did funding from philanthropic donors. Income from corporate partnerships and trusts increased with new relationships being established. However total income from other WaterAid members decreased with fewer grants for specific activities being secured. We are immensely proud and grateful for the continued generosity of our supporters, as it has a direct impact on our ability to respond to the difficult and often volatile circumstances currently being experienced in the countries where we work.

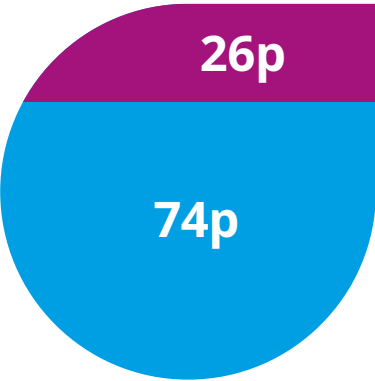
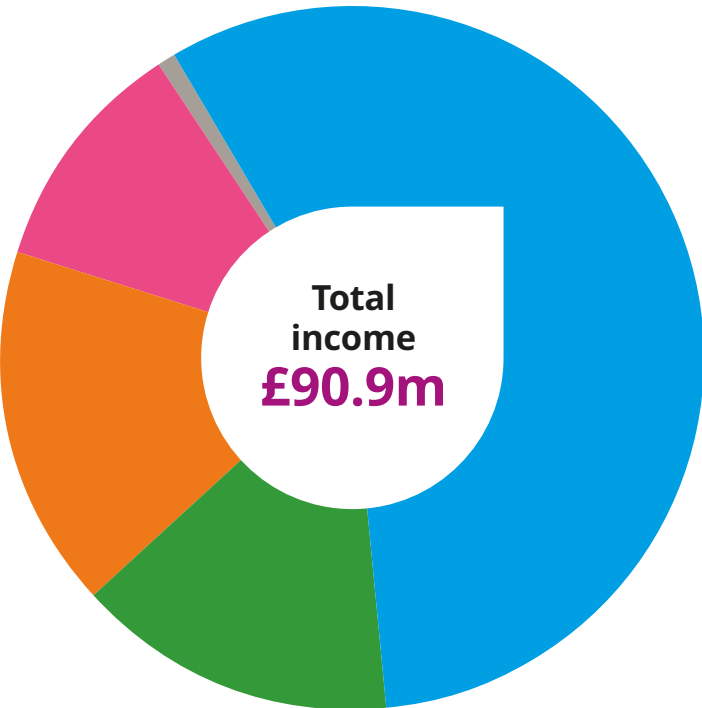
- Individual supporters £54m
- Corporate partnerships and trusts £14.7m
- Other WaterAid member countries £10.2m
- Governments and other institutions £10.6m
- Other income £1.4m

Unrestricted funds

We ended the year with an unrestricted deficit of £1.7m which reduced our general income fund at the end of March 2024 to £22m (2022-23: £23m). This is above the target minimum range of £13m to £17m million which we will draw on to manage future risks and to invest in our strategic priorities. More detail on our reserves policy can be found on p32.

Restricted funds

Restricted funds of £12m (2023: £13m) represent funds that have a specified purpose as expressed by the donor. Expenditure is charged to the specific fund in line with the terms of the donor contract. The trustees have no discretion to allocate the funds to any other use.

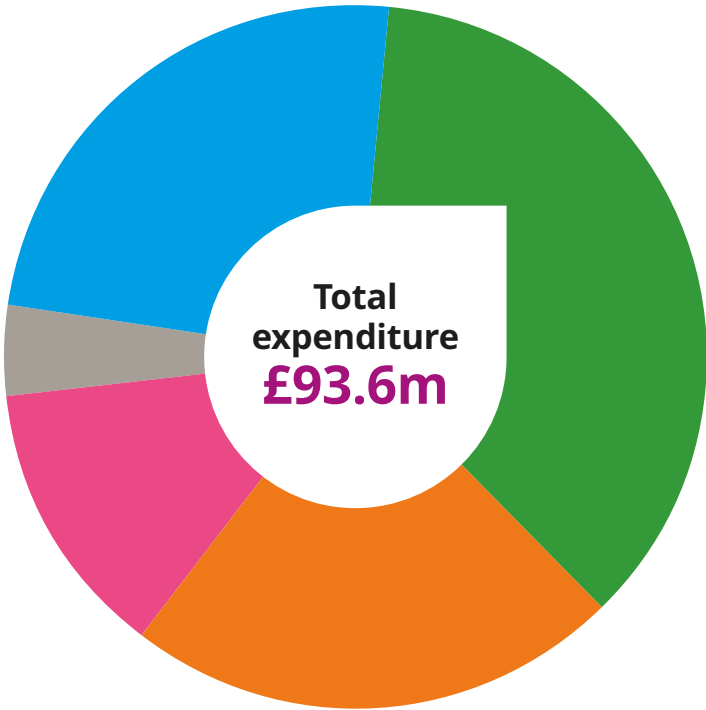


In every £1 spent 74p went on delivering services and making change happen and 26p went on fundraising and governance.

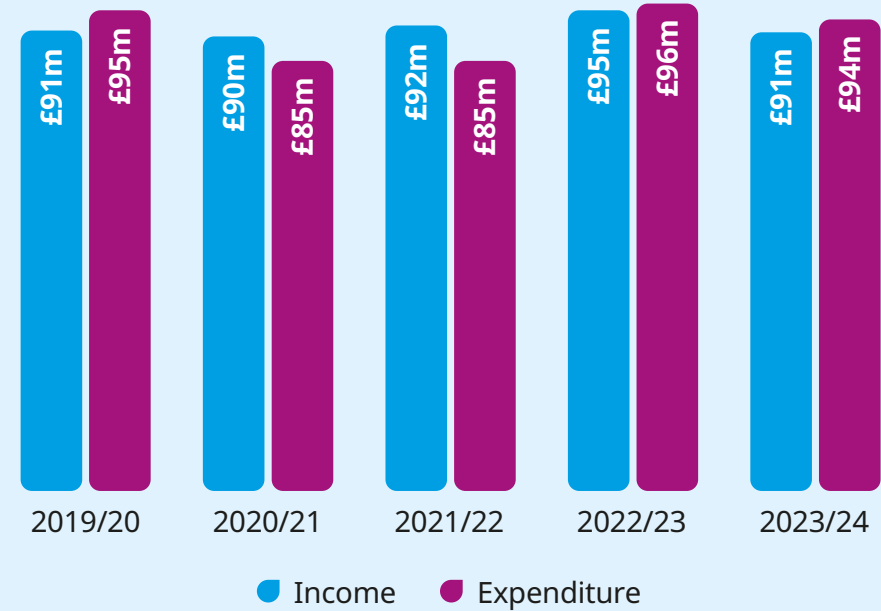
Expenditure

Total expenditure reduced by 3% on the previous year. Spending was reduced due to some funding contracts coming to an end and not being renewed, including in the three countries where we closed our programmes during the year. The decrease in expenditure is also attributable to high levels of local currency depreciation in some countries where we work, making it cheaper to deliver our programmes in GBP terms. The decrease seen in the spend on delivering water, sanitation and hygiene is representative of the decrease in grant funding for specific activities.

- Fundraising 25%
- Supporting partners to deliver water, sanitation and hygiene 32%
- Strengthening national and local capacity to deliver services 25%
- Influencing policy in water, sanitation and hygiene 14%
- Supporting WaterAid globally 4%

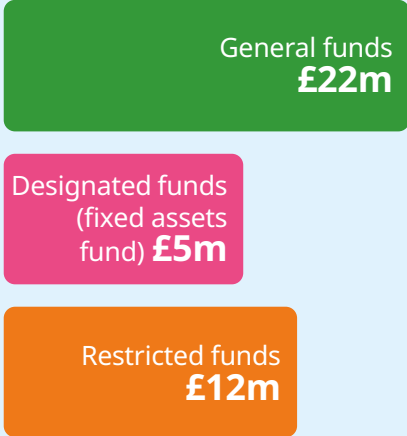


Income and expenditure 2019-2024



Fund balances

At the end of March 2024, the closing total charity funds were £39m (2023: £42m), made up of the following:



Our values

Our values define our culture and unite us across the many countries in which we work. They are at the very heart of WaterAid – who we are, what we do and how we do it.

Respect We treat everyone with dignity and respect, and champion the rights and contribution of all to achieve a fairer world.

Accountability We are accountable to those we work with and to those who support us.

Courage We are bold and inspiring in our actions and words, and uncompromising in our determination to pursue our mission.

Collaboration We work with others to maximise our impact, embracing diversity and difference in the pursuit of common goals.

Innovation We are creative and agile, always learning, and prepared to take risks to accelerate change.

Integrity We act with honesty and conviction, and our actions are consistent with openness, equality and human rights.

Safeguarding

Our commitment

We 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 – our staff, volunteers, contractors and partners – commit to our [Global Code of Conduct](#) which sets out

our high standards of expected behaviour, and outlines the consequences if these standards are not met.

Safeguarding activity

All reports of misconduct are fully investigated by trained staff, with a survivor-centred approach, and appropriate actions are taken to protect and safeguard everyone involved.

In 2023–24, our Global Safeguarding Team received 47 reports from across the WaterAid Federation. 31 of these related to WaterAid UK directly. All reports are managed centrally by our Global Safeguarding Team.

We resolved 18 reports following an initial safeguarding review and 17 reports were referred internally to another team for further action. Four reports were referred to an external authority, agency or support service, and one report prompted a safeguarding and culture review.

Seven reports led to a safeguarding investigation by WaterAid or partner staff. One of these reports related to sexual abuse and two related to sexual exploitation. These three reports were reported to the Charity Commission, who agreed with our investigations, outcomes and recommendations. The remaining four reports related to inappropriate behaviour, sexual harassment and bullying.

The outcome of the safeguarding investigations led to the following actions:

- Two staff members and one volunteer were dismissed.
- A member of staff from a partner received a written warning from their employer.

Other cases led to individual action plans, recommendations for training and greater safeguarding awareness.

The number of reports has increased this year and we are seeing a trend of increased reporting from within the communities where we work. We believe this is positive, reflecting a growing understanding and confidence to report, linked to our expanded Safeguarding Focal Point network and increased focus on

safer programming. However, given the scale of our operations and partnerships, and the challenging contexts in which we work, we recognise there is likely to be a degree of underreporting and we remain dedicated to improving and strengthening our safeguarding reporting with partners and the communities we work with.

Governance

Each WaterAid Federation member has a safeguarding trustee who ensures WaterAid boards achieve their safeguarding responsibilities.

Our Global Head of Safeguarding provides written reports to all WaterAid boards, attends the WaterAid UK Board meetings, and liaises regularly with Global Leads, safeguarding trustees and WaterAid boards. This year we introduced WaterAid's Global Safeguarding Community of Practice group, consisting of a lead trustee from each WaterAid member organisation, to ensure strong governance of safeguarding across the Federation.

We launched WaterAid's new Global Safeguarding Framework, capturing our strategic priorities. We also further strengthened our Global Safeguarding Team with the introduction of new Safeguarding Coordinator and Community Engagement Advisor roles.

Training and awareness

Our global network of Safeguarding Focal Points has grown to 56 individuals across 30 countries. These safeguarding champions have introduced training sessions for new staff and contractors and collaborated with government partners and communities for effective safeguarding implementation.

This network came together for the first time in October 2023 for a training event, collaborating to develop skills and strengthen confidence to protect the wellbeing of everyone involved in or affected by our work. In addition, our Safeguarding Focal Points and the Global Safeguarding Team provided training to over 2,780 participants, including WaterAid staff, board members, partners, and other non-government organisations over the year.

Strengthening the sector

WaterAid values the collaborative efforts of the international development sector in strengthening safeguarding knowledge. We are actively involved in local safeguarding networks and our Head of Global Safeguarding sits on the Bond Safeguarding Steering Group for the UK. To share tools and knowledge across the sector, we created a learning animation on identifying barriers to reporting, to support wider case learning.

For more information, please see our [Safeguarding](#) page at wateraid.org/us/safeguarding-at-wateraid

Modern slavery

Our full Modern Slavery statement is available at wateraid.org/uk/modern-slavery-statement. It outlines our commitment and coordinated action in relation to the Modern Slavery Act 2015 in respect of our policies for staff and partners, and our operations and supply chains. During the year, we have increased the level of training provided to our Safeguarding Focal Point Network. This is to ensure that safeguarding is down streamed throughout all areas where WaterAid works. Any concerns around modern slavery or trafficking are reported, recorded and dealt with through safeguarding procedures. During 2023–24, no safeguarding concerns about modern slavery were reported.

Anyone can raise a safeguarding concern by contacting the Global Safeguarding Team on **+44 (0)207 793 4468** or at safeguarding@wateraid.org You can also report concerns to our independent whistleblowing service, Safecall.

Diversity, equity and empowerment

We are passionately committed to being an organisation where everyone is welcome and included and where differences are valued. We seek to represent and celebrate the diversity of our staff, partners and everyone we work with, and create a culture where everyone can feel safe, reach their full potential and bring their unique and valuable contribution. We are dedicated to achieving the highest standards of diversity, equity and inclusion and welcome people of all backgrounds, beliefs, customs, traditions, and ways of life to work with us.

Addressing power imbalances

We emphasise global unity, personal growth, and collective efforts to end the water, sanitation, and hygiene crisis. This commitment to growth extends to our organisation, as we strive to become an ever-more diverse and inclusive global team. Increasingly, we have been challenging our own assumptions and practices as an organisation to remove internal power imbalances and inequalities that get in the way of us achieving our mission.

In 2021, over 650 staff across the world contributed to a review of how internal power inequalities affected their work and hindered our mission. Feedback ranged from being too UK-centric; not recognising expertise and contribution, allocating resources and opportunities equally, or ensuring enough decision-making autonomy within and between the countries we work in; and not having enough diversity of voices at Board and senior leadership levels.

Our Global Power and Diversity Steering Group, made up of representatives from across the WaterAid Federation, drives the One WaterAid programme of five priority areas for change: diversity and inclusion; culture and change; organisation structure; decision autonomy; and resource allocation.

Commitments

The rich diversity of experiences and perspectives of our people, partners, and the communities we work with are crucial to the sustainable achievement of our mission. This year we developed and launched four commitments to diversity, equity and empowerment, asking every WaterAider to play their part in the delivery:

1. We will continually strengthen our individual and collective understanding, allyship, and action, and learn from the knowledge and expertise of our staff closest to the water, sanitation, and hygiene challenges we seek to overcome.
2. We will ensure inclusive practices in all areas of our work from our programmes, policy, advocacy, fundraising, communications, people, finance, IT, and assurance.
3. We will ensure that we are mission-centric in our organisational design, resourcing, and partnerships, and our structures, systems, processes, and approaches empower and enable impactful programmes and influence.
4. Our communications will be inclusive and respectful, representing our people, communities and supporters in an accurate, authentic, and consensual way that is free from bias.

Senior teams will develop action plans, allocate budgets and report on progress regularly to ensure transparency and accountability for these commitments.

Training and awareness

We continue to run training programmes to deepen awareness and allyship, and build a shared understanding of concepts related to diversity, equity and empowerment across the WaterAid Federation.

590 staff have completed a recent module exploring the power we hold within ourselves and how we leverage our personal power. Future modules are being developed for gender and intersectionality; and racism, ethnicity and caste.

Activity

We are improving the representation and diversity of staff from all parts of our organisation in strategic decision making for maximum impact. We extended the Executive Directors' Team to involve senior leaders outside the UK, and we have introduced an approach to succession planning to support leadership team diversity and representation objectives. Nearly 60 roles which might previously have been UK based are now held by people based in global majority countries. Inclusive leadership is now also part of our groundbreaking Accelerate to 2030 leadership programme. The WaterAid UK Board has a lead trustee for diversity, equity and empowerment, equal numbers of women and men, and 40% of the Board currently identify as being from the global majority.

Our International Programmes Department began implementing a new structure, devolving more power to country teams and we have reviewed the allocation of income to provide greater transparency to our teams. We launched representation guidelines and a language guide to ensure our external communications are accurate and authentic, and respect and protect the people we work with.

We have staff-led employee groups to support neurodiversity, LGBTQ+, women and the global ethnicity majority. We amplify voices, share updates, and promote wellness through our internal DEE eMagazine. We celebrated our values of respect, collaboration, and courage through illustrations of the cultural diversity of our organisation during our annual 'My WaterAid' week. This internal engagement activity gave an opportunity to pause, reflect and celebrate our diversity and create a sense of belonging at WaterAid.

In the UK, staff are now able to opt out of faith-based national holidays at Easter and we launched a toolkit with guidance on menopause. We have made progress in addressing prejudice and bias in recruitment with training for managers. We have policies in place to ensure we give candidates, existing staff, and volunteers equal opportunities to succeed. We are a Level Two Disability Confident Employer. We support flexible working and encourage staff to develop to match their circumstances and aspirations.

See our gender and ethnicity pay gap information on our website at www.wateraid.org/uk/Gender-and-Ethnicity-Pay-Gap

Managing risk

We work in countries where a level of risk is inevitable. We have an active risk management process in place to make sure appropriate steps are taken to manage and mitigate risk across the organisation.

The Board of Trustees and Directors Team have been clear that the areas where risk should be assessed most cautiously relates to the health, welfare, safeguarding and security of people and the reputation of WaterAid. In other areas, there is an evaluation of risk and reward before taking opportunities. Managed risks will be taken where there is a reasonable basis for believing that this will be to the benefit of people in relation to clean water, decent toilets and good hygiene.

The Board of Trustees has overall responsibility for ensuring that we have a system of internal control, management and audit to take advantage of opportunities and manage risk effectively. Assessment of risk and opportunity is central to WaterAid's decision-making processes, planning and monitoring.

Our process

- Risk registers that capture the risks identified across WaterAid by individual departments, including prioritisation based on likelihood and materiality as well as controls and future mitigating actions to be taken.
- An annual risk management plan which is produced by the Directors team for review and approval by the Board of Trustees.
- Quarterly risk register review by the Directors team and update to the Board of Trustees.
- A risk management review is carried out by the Audit & Risk Committee twice a year.
- An annual emerging risk session with Directors and the Board of Trustees.
- Regular audits are carried out by our Internal Audit team and reported to the Audit & Risk Committee.

- Multi-year planning and budgeting which focuses on milestones linked to delivering the Global Strategy.
- Financial reporting which compares results with the budget on a monthly, quarterly and yearly basis.
- Value for money principles which guide when and where we source goods and services, how we benchmark salaries, and our policies on investment and reserves.

Significant risks in the year under review

The high risk areas we identified are as follows:

- **Global turbulence impacting programme delivery, advocacy and fundraising:** Conflicts, political instability, extreme weather events and high inflation in countries where we operate may disrupt our ability to deliver on programme commitments within expected timeframes. Governments' and donor attention may be diverted from the wider development agenda, including the WASH sector. The cost of living crisis may impact our supporters' ability to donate. These risks were mitigated through close monitoring of the political context, contingency planning, adhering to security protocols, financial and programme monitoring, financial modelling and scenario planning to check that our plans remained affordable, and regular communication with our partners. We worked with sector-wide coalitions to make the case for retaining support for the poverty-reduction agenda, specifically WASH.
- **Safeguarding and security:** Risk of harm to people due to a safeguarding or security incident continued to be an elevated risk. Global leads for safeguarding and security were in place along with safeguarding and security focal persons in country programmes and UK departments.
- **Systems and cyber security:** Cyber security breaches are still a high risk to any organisation. We have invested in several new technologies that are monitored 24/7 including Multi Factor Authentication. We continue with our staff and training awareness program focusing on Phishing

and Ransomware. WaterAid are Cyber Essentials Certified and we remain committed to continuing to improve our security as we consider this an ongoing high risk area.

Main risks for the year ahead

Continued political uncertainty: Uncertain and turbulent global and national political contexts, including national elections, may affect programme delivery and advocacy. We will mitigate this risk by regular scanning of the political environment, contingency planning, and financial and programme monitoring. We will rally support for WASH ahead of national elections.

Critical skills vacancies: One of our key risks relates to recruitment and retention. For example, our priority to develop climate-resilient WASH solutions requires specific skills which can be difficult to recruit for. To mitigate this risk we regularly benchmark our salary offer to peer organisations and we are committed to the wellbeing of our staff. We invest in our staff to build the necessary skills to deliver our strategy and develop existing and future leadership to confidently manage change.

Changes to legislation: Changes to legislation and national rules around NGO registration in countries where we operate may negatively impact on our ability to deliver programme work and to send or receive funds. We will mitigate this risk by monitoring changes to legislation and we will seek legal advice where necessary to ensure we remain compliant. We engage with NGO forums and collaborate with multi-laterals such as the World Bank to knowledge share.

Ongoing safeguarding and security risk: We consider that safeguarding and security remain top risks for WaterAid. We will continue our efforts to further strengthen our safeguarding and security measures and monitor that these are working effectively.

Ongoing cyber security risk: Like most organisations, we consider that cyber security remains a top risk. We will continue our efforts to further strengthen our cyber security protocols and adapt to the changing threat environment.

Our public fundraising approach

We raise a significant percentage of our funds from the public. Our primary aim is to ensure we do this in a respectful and inspiring way, consistent with our core values and in line with all relevant law and regulations, specifically the Fundraising Code of Practice. We also support measures that will improve public trust and support for fundraising in the charity sector as a whole.

In order to raise funds and awareness and enable supporters to get involved, we rely on a variety of different activities including – fundraising over the telephone, through letters and emails and by television; digital and press advertising; promoting legacies, events, payroll giving and community fundraising; and engaging philanthropists, trusts, foundations, public sector bodies and corporate partners.

We speak to many supporters about fundraising by telephone each year, if they have given prior consent for this. We use a professional telephone fundraising agency, Angel, to carry out this work on our behalf in accordance with our own high standards and sector regulation. We closely monitor our agency's compliance, training and call quality to ensure we provide our supporters with the best experience. We use an independent assessor to monitor a minimum of 2% of calls made, providing the agency with detailed feedback and training actions where appropriate. Should a call fail to meet our quality expectations, we will take immediate action such as removing a fundraiser from the WaterAid account pending retraining, or permanently for more serious call quality concerns.

We provide training on vulnerability to Angel fundraisers every quarter and campaign managers do separate training for any appeals being managed at Angel. As part of their induction to working on a WaterAid campaign, all Angel fundraisers are required to sign a Code of Conduct stating they will protect people in vulnerable circumstances and uphold WaterAid's high standards in their fundraising.

We have quarterly reviews with Angel to discuss performance. Campaign managers have more frequent calls when campaigns are live and we have fortnightly calls to discuss call quality.

To ensure our telephone fundraising is of the highest standard, we run a full tender every three years to ensure we partner with an agency who can deliver the exceptional quality our supporters expect.

You can learn more about our approach to telephone fundraising at wateraid.org/uk/telephone-fundraising

We work with Professional Fundraising Organisations (PFOs) who are invited into workplaces to sign people up for payroll giving. All PFOs are registered with the Fundraising Regulator, meaning they are committed to fundraising in line with the Code of Fundraising Practice. All of the PFOs we work with have shared their training plans with us, providing assurance that the right training is in place to ensure responsible fundraising practice. None of the PFOs we work with do door-to-door fundraising, they only fundraise on invitation of the employers.

To protect potentially vulnerable supporters, all new fundraisers who join WaterAid must complete the mandatory Fundraising Compliance Induction training, delivered by the Fundraising Compliance Team, on protecting people in vulnerable circumstances, what vulnerability means and how to recognise and respond appropriately to a potentially vulnerable supporter.

You can read our Vulnerable Supporter Policy, informed by industry guidelines, on our website at wateraid.org/uk/our-fundraising-promise

As per our Privacy Policy, we provide supporter details to agency partners fundraising on our behalf. However, we do not give or sell our supporters' details to anyone else, and we do not contact people from 'cold' lists.

Whenever a partner fundraises on our behalf, we put in place data sharing agreements to ensure the security and fair processing of personal data in accordance with the General Data Protection Regulation (GDPR).

When considering a new partner who would process personal data, we also conduct a Data Protection Impact Assessment to identify and mitigate any potential risks to that data.

We are members of the Chartered Institute of Fundraising and the Direct Marketing Association and endorse the formation of best practice standards and guidelines for the sector, which we also help to define. We take privacy seriously and are committed to protecting our supporters' personal information. You can read our Privacy Policy on our website at wateraid.org/uk/privacy-policy

We are registered with the Fundraising Regulator and pay an annual levy as required. We support public consultations on their Code of Fundraising Practice, work diligently to ensure compliance with the Code and champion its standards across all our fundraising, and adhere to the requirements of the Fundraising Preference Service.

It is vital that we communicate with our supporters in the manner they prefer, respecting their privacy and communication preferences. We actively encourage supporters to contact us with any feedback, and we give complaints our utmost attention, to help us improve our fundraising approach.

During 2023-24, we made 4,754,314 contacts using email, mail and telephone.

We received 140 complaints about our fundraising, 0.003% of the total contacts we made. These were 75% of all complaints received. Our Supporter Care team investigates every complaint, responding within three working days. We do all we can to resolve complaints and ensure that supporters are happy to be part of our work. The key causes were direct mail (65%), telephone fundraising (11%) and online activity (7%).

Data protection

We take privacy seriously so that our supporters can trust us with their data.

We always demonstrate our accountability to the principles of the UK GDPR and the requirements of the Data Protection Act 2018.

We have the following in place to help protect personal data:

- Data protection policies and guidance
- Simple processes allowing our supporters to easily exercise their UK GDPR rights
- Appropriate internal governance arrangements to support data security and management
- Contracts with all of our data processors (e.g. our mailing house) to ensure they adhere to the same data protection standards that we do.
- New starter and bespoke training programmes to ensure our staff get relevant and helpful guidance on their data protection responsibilities
- Data Protection Impact Assessments to ensure data protection is at the centre of everything we do

For more information on how we use and protect personal data, please see our privacy notice at wateraid.org/uk/privacy-policy

Managing our finances

Reserves policy

Our reserves policy seeks to retain a level of readily accessible funds within an operational reserve of unrestricted monies to mitigate financial risks identified in the risk management plan. Trustees review winding down costs, current risks based on the risk register and strategic investment requirements in setting the target range. The target for the operational reserve is reviewed on an annual basis and for 2023–24 the minimum target range was £13m to £17m. The general income fund at the end of March 2024 was above this range, at £22m. We expect a deficit in the year 2024–25, due to the lower income projections, inflationary pressures on expenditure and also investments we want to make in programmes and fundraising in order to meet our strategic priorities. We expect these factors will bring reserve levels closer to the target range.

The majority of our unrestricted income is generously donated by individuals through regular gifts, legacies or fundraising events. Throughout the year, cost of living pressures continued to challenge our fundraising ambitions. At the same time, high levels of inflation in most countries where we work put pressure on our ability to deliver our programmes within budget. We had planned to end the year with a unrestricted deficit of £5.4m but ended the year with an unrestricted deficit of £1.7m primarily due to better than expected fundraising from individuals in the UK and high levels of currency depreciation in some of the countries where we work, making it cheaper to deliver our planned programmes.

Total funds at 31 March 2024 were £39m, of which £12m was in restricted funds. Restricted funds are received from governments, trusts, foundations, corporations and individuals. The restrictions that these partners place on the funds they give us can range from a focus on a theme or country to a high degree of restriction, such as a specific project in a

particular country. These monies are dedicated to specific programmes and the Trustees have no discretion to reallocate them to other uses. Restricted funds received in one year are carried forward into future years where the criteria for applying them to particular programmes have yet to be met for compliance with the funder's conditions.

We aim for as much flexibility in our funding portfolio as we can achieve, working in partnership with those that fund us. We are stringent in our management of all our funding, whether restricted or unrestricted.

Investment policy and performance

We hold short-term investments and cash. The objective of our investment policy is to limit risk as far as is possible while earning such interest as is available on very secure deposits. Accordingly, our investment policy is to hold cash or invest in short-term liquid deposit accounts only at those banks with a high credit rating. We don't invest in stock and shares.

Due to stable interest rates in the UK, investment income increased to £701,000 in 2023–24 (2022–23: £379,000); we expect good rates of return on cash balances to continue in 2024–25, depending on the prevailing interest rate on deposits.

Going concern statement for 2023–24

As required by the Charities Statement of Recommended Practice (FRS 102), we assess whether there are any uncertainties that may cast doubt over our ability to continue as a going concern. For this purpose, we focus on a period of at least 18 months following the signing of these accounts, so the period to at least the end of September 2025.

Our annual budget and plan, presented to the Board in March 2024, represents management and the Board's best forecast of the fundraising targets and key income streams, alongside the expected cost base for the years to 31 March 2027. The Board approved the annual budget

for the period ending 30 September 2025 on that basis.

This budget forms the base case for our going concern assessment. In addition, we have undertaken scenario modelling to understand the impact of various income downsides and cost pressures on our future expenditure both at a UK and country programme level. We have modelled several scenarios that when compared to the budget assumptions reflect lower income and a higher cost base.

We have also prepared an acute or 'severe but plausible downside' scenario, which combines high inflation economic pressures affecting stock and property prices, a material reduction in regular giving and no continued funding received from specific key donors.

Although the impact of the acute scenario is severe and would require the consideration of mitigating actions which are wholly within our control to reduce our discretionary cost base, the analysis indicates that the Group would have sufficient liquidity and reserves to honour our committed funding obligations and to maintain sufficient liquidity throughout the going concern period.

Robust monitoring processes are in place to ensure that the organisation is able to react quickly to any downturn in income and the short-term deposit investments held can be liquidated quickly in the event that they are required.

The Group currently has no bank financing or loan agreements and therefore there are no covenants to consider.

The Group will maintain its investment and cash reserves above its minimum range of £13m to £17m. As at 31 March 2024, the Group had managed cash and investments of £31m, well above the target minimum liquidity that the Trustees have set in order to remain in a financially stable position.

Taking into account our current position and our principal risks, the Trustees have a reasonable expectation that the Charity will be able to continue in operation and meet its liabilities as they fall due over the medium term. Accordingly, the Group expects to continue to have access to sufficient liquid resources to meet its obligations for a period of

at least 18 months after the approval of these financial statements, namely the period to March 2026, and the Board therefore continues to adopt the going concern basis of accounting in preparing the financial statements.

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.

How we operate

WaterAid is a Global Federation of which WaterAid UK is a member. There are six other members in America, Australia, Canada, India, Japan and Sweden. All federation members are independently constituted organisations with their own boards. WaterAid UK receives funding from other members of the federation to deliver services and make change happen. At the same time, WaterAid UK invests in other members to support their future growth. WaterAid UK also funds part of the running costs of WaterAid international – a requirement of all members.

Legal structure

WaterAid was established by Trust Deed on 21 July 1981, incorporated on 30 January 1984 and registered as a charity in England on 22 February 1984. WaterAid registered as a charity in Scotland on 3 April 2008. WaterAid has a Memorandum which sets out the objects and powers of the organisation and is governed in accordance with its Articles of Association.

WaterAid is a company limited by guarantee, under which the members each undertake to contribute £1 in the event of the company being wound up. WaterAid UK is a member of the WaterAid federation. WaterAid international was formed in 2010 and is the secretariat for the federation, holding the WaterAid trademarks and licensing members of the federation to use those marks. WaterAid international accounts do not require consolidation into WaterAid UK accounts as WaterAid UK does not exercise control or significant influence over WaterAid international.

Trading company

The principal activity of WaterAid Trading Limited (the “Company”) is identifying and undertaking commercial licensing deals. WaterAid Trading Ltd made a net profit of £546,984. A deed of covenant is in place whereby all profits generated by the company are gift aided to the parent charity. This trading company is wholly owned by WaterAid and primarily operates the sub-licensing agreements that WaterAid enters into but also sells goods.

Organisation structure

WaterAid has an office in London where the Chief Executive and a team of five Directors and the Internal Audit and Compliance department are based, alongside the secretariat for WaterAid international. The Directors are responsible for the departments of International Programmes; Policy and Campaigns; Finance and Strategic Planning; Communications and Fundraising; and People and Organisational Development.

As of 31 March 2024, WaterAid had offices, registered as branches of the UK company, in 22 countries in Asia and Africa.

Country Directors and Team Leaders in each branch report into a Regional Director. All are appointed by and accountable to the Director of International Programmes. Country Heads of Finance report to the Country Directors and have a dotted line to the UK-based Director of Finance and Strategic Planning. WaterAid also works in partnership with civil society networks and other organisations in countries where there is no WaterAid presence.

Streamlined Energy and Carbon Reporting (SECR)

- A peer benchmarking study on greenhouse gas reduction commitments and an assessment in line with the GHG Protocol were completed during the year. The assessments identified opportunities for positive environmental impact through our work, and risks for negative environmental impact affecting or affected by our work, including, risks related to environmental

degradation, climate change and loss of biodiversity affecting environmental sustainability.

- Total UK emissions registered for 2023-24 amounted to **2,629 tonnes CO₂e**. Air travel remains the largest contributor to emissions, with **1,163 tonnes of CO₂e** recorded during 2023-24. Fulfilment of business-critical travel is essential; in 2023 we completed a travel tender, selecting a supplier who can provide more environmentally sustainable travel options and support better environmental reporting. The assessment also notes that the UK has the largest number of staff with global and regional functions among members of the WaterAid federation.
- The second largest emission area is marketing materials – yielding **890 tonnes CO₂e**. Our main supplier of marketing materials has a strong environmental profile with a Science-Based Target of net zero emissions by 2035.
- The annual quantity of energy we have consumed is 226,313 kWh (2022-23: 213,958 kWh) and the amount of carbon dioxide we have emitted is **43,764 kg** (2022-23: 41,375 kg). These quantities have been calculated using our office online energy portal, which links to our on-floor energy meters. Our intensity ratio was **133.84 kg – CO₂e** (43,764 kg CO₂/327 staff) compared to 118.89 kg last year. The increase in carbon output is marginal and reflects the ongoing impact of our move to hybrid working. The intensity ratio has reduced from 2020 (base year) by 37%. As we further develop our approach to hybrid working, we continue to assess how to maximise the use of our office space while limiting our carbon impact.
- Two of four of our 2023–2032 Global Strategy aims directly target the environment: increase climate change resilience, and scale-up universal, sustainable and safe water, sanitation and hygiene in focused geographic areas to influence wider change. It is imperative that we scale-up our positive impact of addressing the impact of climate change and environmental degradation and understand and address the adverse impacts of our own operations.

WaterAid UK’s Board of Trustees

The Board of Trustees governs the organisation in line with its Articles of Association, vision, mission, values, aims and charitable objectives and provides overall policy direction. The Board is responsible for compliance with the legal and statutory requirements of a UK charity and of a registered company. We have a Conflicts of Interest Policy and Procedure, and a Register of Interests is held by the Company Secretary. Trustees and senior management are expected to sign a declaration when they join and update this annually.

We are committed to the highest standards of governance and seek to make continuous improvements in line with the principles set out in the Charity Governance Code. Overall, we meet all applicable areas of key compliance of the Charity Governance Code.

Following an amendment to our Articles in 2017, Trustees serve a four-year term (renewable once). In occasional circumstances, these periods may be further extended to retain specific skills.

The Board of Trustees has four sub-committees:

1. The Audit & Risk Committee promotes and safeguards the highest standards of integrity, financial reporting and internal control. It also oversees the organisation’s risk management processes, IT and communications systems, capital spend projects and internal and external audit. Significant activities over the year, included; approvals of the Risk Management Policy and a change to the structure of the Internal Audit Team. The Committee also reviewed and endorsed the Financial Statements.
2. The Nominations and Governance Committee ensures that candidates of the highest calibre are put forward for election to the Board of Trustees to achieve an appropriate and diverse mix of skills and experience across the Board as a whole. During the year, the Committee lead on the recruitment of five new Trustees.

3. The People Committee reviews the development of our people management policies and practices including our salary policy, with a particular focus on executive remuneration. Significant discussions over the year included diversity, equity and empowerment, gender and ethnicity pay gap, succession planning, and development and recruitment of critical skills.
4. The Communications and Fundraising Committee oversees and monitors fundraising procedures, policies and activities. It also provides advice on activities that may pose financial, regulatory or reputational risk. During the year, the Committee held deep-dive sessions on reputation management, brand development and awareness, and fundraising performance.

All these committees have terms of reference published in the governance manual, which is on our website. An induction programme is held for Trustees joining the Board. Trustees are invited to participate in seminars with staff as well as being expected to visit our work in country programmes to familiarise themselves with our operations. As part of the development of the Board, a Board evaluation is held biennially and individual Trustees are performance assessed each year.

The members of the Board of Trustees who have served during the year are listed in the Board of Trustees section on page 40, together with the Royal Patron, Vice President and Directors team.

Day-to-day management of the charity is delegated by the Trustees to the Chief Executive. The planning and reporting arrangements in place give Trustees confidence that the charity is being managed effectively.

Registers of Interests

We keep Registers of Interests for all Trustees and Directors that we regularly review and update as required.

Section 172 (1) Statement of Directors' duties

WaterAid UK is governed by the charitable objectives which set out the purpose and mission of the charity. The consequences of all decisions and activities of WaterAid are assessed by how they drive us towards achieving that long-term purpose. As Company Directors, the Trustees must act in accordance with duties outlined in section 172 of the Companies Act 2006, summarised as follows:

A Director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. As a charity we are accountable to our members – people who support us and engage with us. In this regard, our members are:

- those we support with water, sanitation and hygiene;
- staff and volunteers;
- those who provide us with resources to deliver, and those who partner with us to achieve, our vision of water, sanitation and hygiene for everyone, everywhere.

In doing this, Directors have regard (among other matters) to:

- **The impact of the company's operations on the community and the environment:**

In agreement with all federation member boards, one of our global principles is for us to be a sustainable organisation. We have increased focus on the interlinkages between WASH and climate change to ensure that we deliver sustainable and resilient WASH services for the communities that need them most. The UK, alongside all members of the federation, has committed to new measurement criteria related to economic health, safeguarding and wellbeing of communities and staff, and environmental impact.

- **The reputation for a high standard of business conduct:**

The Board of Trustees support the pace and sensitivity in which we are approaching the crucially important work on diversity, equity and empowerment. Mala Rao is our lead

Trustee in this area, championing this work and encouraging, challenging and advising the Board and Executive on the integration of this work into our thinking. The Board receive regular updates on progress, support our global commitments, and have agreed diversity objectives.

- **The interests of the company's employees:**

Spending time with staff, both formally and informally, is important to Trustees. New Trustees receive face to face and virtual inductions with all departments. A programme of engagement is scheduled each year for the Board, this includes; webinars and seminars, networking and Q&A sessions.

- **The need to foster the company's business relationships with suppliers, customers and others:**

During the year, Trustees visited Ghana and Nigeria, meeting with communities, implementing partners, and local and national government officials. They visited schools and health centres, met with community groups and participated in high-level meetings.

- **The need to act fairly between members of the company:**

The Trustees are the sole members of the charity, and the charity is not run in the interests of the members but of the objectives of the charity. As a member of the WaterAid federation, Trustees work to ensure the work of WaterAid UK is well aligned with the rest of the Federation.

- **The likely consequences of any decision in the long-term:**

Our ambition is to deliver even more quality and impact at the highest level in the countries where we work. The ambition requires us to be even more focused across our global organization, and to concentrate efforts to maximise the resources and skill levels in country programmes. To make these shifts, the Board approved the decision to exit from three country programmes – Sierra Leone, Eswatini and Myanmar – as part of the 2022–32 Global Strategy. Exit from these countries was completed during 2023–24.

Statement of trustees' responsibilities

The Trustees (who are also Directors of WaterAid for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company/group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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 charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the 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, Directors' reports shall include a statement, in the case of each Director in office at the date the Directors' report is approved, that:

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

The Board of Trustees approved the Trustees' Report, including the Strategic Report, on 13 September 2024. Signed on its behalf by:

A J G

13 September 2024

Andy Green CBE
Chair of the Board of Trustees

Bishnu Kumari Thapa drinks clean water, Jogidhada, Shailung, Dolakha District, Nepal. September 2023.
WaterAid/ Nishant Gurung



Our leadership team

Royal Patron

HM King Charles III ^{ix}

Vice President

The Rt Hon Baroness Chalker of Wallasey^{ix}

Board of Trustees

Manuel Alvarinho

Mamadou Biteye OBE (from July 2023)

Alyson Clark^{vi}

Ashvin Dayal (from July 2023)

Andy Green CBE^{vi, vii, viii}

Chair of the Board of Trustees

Nina Jasinski^{viii} Chair of the Communications and Fundraising Committee (from July 2023)

Simi Kamal ^{vii} (from July 2023)

Heidi Mottram CBE^{vii}

Sanjay Nair,^v Treasurer (Trustee from July 2023 and Treasurer from November 2023)

Mala Rao CBE^{vi, vii} Vice Chair

Guido Schmidt-Traub

Peter Simpson^v

Heather Skilling^v

Matthew Tweedie^v Treasurer (until November 2023)

Hilary Wild^v Chair of Audit & Risk Committee

Chief Executive and Company Secretary

Tim Wainwright

Directors team

Olga Ghazaryan,
Executive Director of International Programmes
(until June 2023)

Amaka Godfrey,
Executive Director of International Programmes
(from June 2023)

Paula Laird,
Executive Director of Finance and Information
Technology (until August 2023)

Syed Abdul Muntakim
Executive Director of Finance and Strategic
Planning (from April 2024)

Sol Oyuela,
Executive Director of Policy and Campaigns

Rachel Westcott,
Executive Director of People

Jennie York,
Executive Director of Communications and
Fundraising

Principal banker

Barclays Bank plc, 1 Churchill Place, London
E14 5HP

Independent auditor

PricewaterhouseCoopers LLP,
1 Embankment Place, London WC2N 6RH

Principal solicitor

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

Company number

1787329

Charity numbers

288701 (England and Wales) SC039479
(Scotland)

Registered office and operational address

6th floor, 20 Canada Square, London E14 5NN

^v Audit & Risk Committee member

^{vi} Nominations and Governance Committee member

^{vii} People Committee member

^{viii} Communications and Fundraising Committee member

^{ix} Honorary positions

Independent auditors' report to the members and Trustees of WaterAid

Report on the audit of the financial statements

Opinion

In our opinion, WaterAid's group financial statements and parent charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2024 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

We have audited the financial statements, included within the UK Annual Report (the "Annual Report"), which comprise: the consolidated and charity balance sheets as at 31 March 2024; the consolidated statement of financial activities (including consolidated income and expenditure account), charity statement of financial activities (including an income and expenditure account) and the consolidated cash flow statement for the year ended 31 March 2024; and the notes to the financial statements, which include a description of the 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 group and parent 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 related 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 group and parent 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 group's and parent 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.

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

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 Strategic Report and Trustees' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) require us also to report certain opinions and matters as described below.

Trustees' Report (including the Strategic Report)

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

in the Trustees' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

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 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.

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

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

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under section 44(1) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 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 group and parent charitable company/industry, we identified that the principal risks of non-compliance with laws and regulations related to 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts

(Scotland) Regulations 2006 (as amended). 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 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 and Board subcommittees, including the Audit and Risk Committee;
- reviewing the terms and conditions of significant contracts;
- reviewing correspondence with regulators including the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator;
- understanding and evaluating the group's 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 including over grant income, gift in kind income, accrued legacy income and allocation of support and governance costs; 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

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

not closely related to events and transactions reflected in the 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 and trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations made under those Acts (regulation 10 of The Charities Accounts (Scotland) Regulations 2006 (as amended) and 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

Matters on which we are required to report by exception

Under the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) 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 and proper accounting records

- have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

DChan

Daniel Chan (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
London

16 September 2024

Consolidated statement of financial activities

(including consolidated income and expenditure account)
For the year ended 31 March 2024

	Note	Unrestricted £000	Restricted £000	2024 Total £000	Unrestricted £000	Restricted £000	2023 Total £000
Income from:							
<i>Donations and legacies</i>							
Donations	2	55,665	4,611	60,276	54,933	4,096	59,029
Grants of a general nature	2	3,562	-	3,562	4,179	-	4,179
Gifts in kind	2	640	-	640	276	-	276
<i>Charitable activities</i>							
Grant funding for specific activities	4	-	24,392	24,392	-	29,599	29,599
Other trading activities	3	919	96	1,015	992	88	1,080
Other income		275	-	275	-	-	-
Investment income		701	-	701	379	-	379
Total income		61,762	29,099	90,861	60,759	33,783	94,542
Expenditure on:							
<i>Raising funds</i>							
Expenditure on raising grants, donations and legacies	5	23,462	247	23,709	23,007	391	23,398
Expenditure on other trading activities	5	(4)	-	(4)	142	-	142
<i>Charitable activities</i>							
Supporting partners to deliver water, sanitation and hygiene	5	11,465	18,726	30,191	11,891	22,731	34,622
Strengthening national and local capacity to deliver services	5	13,762	9,030	22,792	12,609	9,291	21,900
Influencing policy in water, sanitation and hygiene	5	11,782	1,540	13,322	10,595	1,803	12,398
Supporting WaterAid globally	5	3,006	623	3,629	3,475	462	3,937
Total expenditure		63,473	30,166	93,639	61,719	34,678	96,397
Net (expenditure)/income		(1,711)	(1,067)	(2,778)	(960)	(895)	(1,855)
RECONCILIATION OF FUNDS							
Net movement in funds	21	(1,711)	(1,067)	(2,778)	(960)	(895)	(1,855)
Funds brought forward at 1 April	16	28,595	13,395	41,990	29,555	14,290	43,845
Total funds carried forward at 31 March	16	26,884	12,328	39,212	28,595	13,395	41,990

The statement of financial activities includes all gains and losses recognised during the year. There were no realised gains during the year on investment assets. All income and expenditure derive from continuing activities. There was no material difference between the charity and group accounts. The notes supporting the Financial Statements are on pages 49 to 71.

Charity statement of financial activities

(including an income and expenditure account)
For the year ended 31 March 2024

	Note	Unrestricted £000	Restricted £000	2024 Total £000	Unrestricted £000	Restricted £000	2023 Total £000
Income from:							
<i>Donations and legacies</i>							
Donations	2	55,665	4,611	60,276	54,933	4,096	59,029
Grants of a general nature	2	3,562	-	3,562	4,179	-	4,179
Gifts in kind	2	640	-	640	276	-	276
<i>Charitable activities</i>							
Grant funding for specific activities	4	-	24,392	24,392	-	29,599	29,599
Other trading activities	3	472	-	472	627	-	627
Other income*		726	96	822	223	88	311
Investment income		701	-	701	379	-	379
Total income		61,766	29,099	90,865	60,617	33,783	94,400
Expenditure on:							
<i>Raising funds</i>							
Expenditure on raising grants, donations and legacies	5	23,462	247	23,709	23,007	391	23,398
<i>Charitable activities</i>							
Supporting partners to deliver water, sanitation and hygiene	5	11,465	18,726	30,191	11,891	22,731	34,622
Sector strengthening and capacity building to deliver water, sanitation and hygiene	5	13,762	9,030	22,792	12,609	9,291	21,900
Influencing policy in water, sanitation and hygiene	5	11,782	1,540	13,322	10,595	1,803	12,398
Supporting WaterAid globally	5	3,006	623	3,629	3,475	462	3,937
Total expenditure		63,477	30,166	93,643	61,577	34,678	96,255
Net expenditure		(1,711)	(1,067)	(2,778)	(960)	(895)	(1,855)
RECONCILIATION OF FUNDS							
Net movement in funds	21	(1,711)	(1,067)	(2,778)	(960)	(895)	(1,855)
Funds brought forward at 1 April	16	28,595	13,395	41,990	29,555	14,290	43,845
Total funds carried forward at 31 March	16	26,884	12,328	39,212	28,595	13,395	41,990

The statement of financial activities includes all gains and losses recognised during the year. There were no realised gains during the year on investment assets. All income and expenditure derive from continuing activities. There was no material difference between the charity and group accounts. The notes supporting the Financial Statements are on pages 49 to 71.

Group and charity balance sheets

At 31 March 2024
Company number: 01787329

	Note	Group		Charity	
		2024 £000	2023 £000	2024 £000	2023 £000
Fixed assets					
Intangible assets	9	2,223	2,279	2,223	2,279
Tangible assets	9	2,814	3,371	2,814	3,371
Fixed asset investments	12	182	100	-	-
Total fixed assets		5,219	5,750	5,037	5,650
Current assets					
Debtors	10	11,138	9,075	11,341	9,981
Cash at bank and in hand	13	26,878	34,352	26,294	33,085
Short-term deposits	13	4,200	3,000	4,200	3,000
Total current assets		42,216	46,427	41,835	46,066
Liabilities					
Creditors: amounts falling due within one year	14	(6,541)	(8,586)	(6,297)	(8,444)
Provision for liabilities and charges	15	(1,473)	(1,444)	(1,154)	(1,125)
Total liabilities		(8,014)	(10,030)	(7,451)	(9,569)
Net current assets		34,202	36,397	34,384	36,497
Provision falling due over one year	15	(209)	(157)	(209)	(157)
Net assets		39,212	41,990	39,212	41,990
The funds of the charity					
Unrestricted income funds					
Designated funds	17	4,901	5,748	4,901	5,748
General income funds	17	21,983	22,847	21,983	22,847
Total unrestricted income funds		26,884	28,595	26,884	28,595
Restricted income funds	17	12,328	13,395	12,328	13,395
Total charity funds		39,212	41,990	39,212	41,990

The financial statements on pages 45 to 71 were approved by the Board of Trustees on 13th September 2024 and signed on its behalf by:



Andy Green
Chair



Sanjay Nair
Treasurer

The notes on pages 49 to 71 form an integral part of these financial statements.

Consolidated cash flow statement

For the year ended 31 March 2024

	2024 £000	2023 £000
Net (expenditure)/income for the year	(2,778)	(1,855)
Interest receivable	(720)	(379)
Amortisation of intangible assets	1,050	496
Depreciation of tangible assets	876	864
Loss on disposals of tangible assets	28	-
Asset impairment (reversal)/charge	(82)	82
(Increase)/ decrease in debtors	(2,063)	1,486
(Decrease)/ increase in short-term creditors	(2,045)	1,207
Increase in long-term creditors	52	52
Increase in provisions	29	18
Cash (used in) / generated from operating activities	(5,653)	1,971
Bank interest received	720	379
Payments to acquire tangible fixed assets	(347)	(913)
Payments to acquire intangible fixed assets	(994)	(983)
Purchase of fixed asset investment	-	(100)
Cash flows expended in investing activities	(640)	(1,617)
(Decrease)/ increase in cash in the year	(6,274)	354
Analysis of cash as shown in the balance sheet	2024 £000	2023 £000
Cash and cash equivalents at the beginning of the year	37,352	36,998
Net cash (outflow)/inflow	(6,274)	354
Cash and cash equivalents at the end of the year	31,078	37,352
Cash and cash equivalents include funds held in short-term deposit accounts that can be accessed without notice. The charity held no borrowings, related derivatives or obligations under finance leases during the year.		
Cash and cash equivalents	2024 £000	2023 £000
Cash at bank and in hand	26,878	34,352
Short-term deposits	4,200	3,000
Balance at 31 March	31,078	37,352

The notes on pages 49 to 71 form an integral part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies

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

WaterAid is incorporated in the United Kingdom (company number: 01787329) and is a registered charity in England, Wales and Scotland and is a public benefit entity. WaterAid's registered office and operational address is: WaterAid 6th Floor, 20 Canada Square, London E14 5NN.

a) Basis of preparation

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS 102), effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006, the Charities Accounts (Scotland) regulations 2006 and Charities and Trustee Investment (Scotland) Act 2005, and under the historical cost accounting rules, except for investments which have been included at fair value or the value considered appropriate by the Board of Trustees.

The Financial Statements are drawn up on the going concern basis which assumes WaterAid will continue in operational existence for the foreseeable future (deemed to be a period of at least 12 months from the date the financial statements were authorised for issue).

b) Basis of consolidation

The group has three wholly-owned subsidiaries and a 20% share in an associate. Consolidated Financial Statements for the group, being WaterAid and WaterAid Trading Limited have been prepared on a line by line basis. Two further subsidiaries, WaterAid (WASH and Health) Limited and WaterAid (WASH and Climate Change) Limited were dormant for the whole of the financial year. Consolidation does not include WaterAid international as there is no ability to direct nor does it include dormant companies or other WaterAid members. Further details can be found in note 11. A 20% fixed asset investment in WeAreGoodGiving Ltd is treated as an associate and accounted for under the equity method with the consolidated accounts. A separate parent charity cash flow statement hasn't been presented.

The activities of the regional fundraising committees in England, Wales, Scotland and Northern Ireland raising funds for WaterAid are deemed to be part of the activities of the charity. As such, they are included in full in the Financial Statements of the charity and group.

c) 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 and losses are included within support costs and reallocated across charitable activities in the Statement of Financial Activities (SOFA) as per note 5.

d) 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:

- **Grant income** Grants are credited to the SOFA when the charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions have been met.

Grants that have specific restrictions placed upon their use are included within income for charitable activities and are credited to restricted income within the SOFA on an entitlement basis. Unspent balances are carried forward within the relevant restricted fund.

- **Grants of a General Nature** Income from grants of a general nature is from grant-making or public institutions and have no specific restrictions placed upon their use. Grants of a general nature are credited to unrestricted income within the SOFA on an entitlement basis and disclosed in note 3 if their value is above £150,000 and the donor has not requested to remain anonymous.

- **Donations** Individual donations are recognised in the period in which they are received or receivable.

- **Pecuniary and residuary legacy income and in memoria donations** Legacy income is recognised when three criteria are met when entitlement is established, receipt of the income is probable and it can be reliably measured:

- Entitlement is established when named in the will and we receive notification of an interest in an estate.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

1. Accounting policies (continued)

- Probability is based on grant of probate.
 - The estate is reliably measurable when the final estate accounts are received.
- Legacy income is only recognised in the financial statements when the above criteria are met.
- Pecuniary legacies are a fixed value income and we accrue all open gifts once probate has been granted and notification received. Residuary legacies are accrued once final estate accounts have been approved and final payment confirmed or an interim payment has been confirmed.
- **Other income** Other income in the Group is income from disposal of fixed assets and in Charity is a gift aid donation by virtue of the Deed of Covenant and licence fee paid by WaterAid Trading.
 - **Investment income** Investment income is bank interest received and is recognised when earned.
 - **Gifts in kind** Goods, facilities and services donated for the charity's use, where the benefit is quantifiable and the goods or 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.
 - **Fundraising events** Fundraising events income is included in donation and legacies income as the funds received are by nature donations rather than funds paid to gain a benefit. Event income to which the charity has a legal entitlement and that is being held by a third party agent is recognised on a receivable basis. Fundraising event income received in advance are deferred until the event has taken place.

e) Expenditure

Expenditure is recognised in the period in which it is incurred on an accruals basis. Expenditure includes attributable VAT which can only be partially recovered.

Costs of charitable activities include direct expenditure incurred through grants to partners and operational activities together with associated support costs. Charitable expenditure is reported as it relates to work undertaken by the charity, in supporting partners, sector strengthening, capacity building and influencing policy to deliver water, sanitation and hygiene, and supporting WaterAid globally.

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. Partner agreements and funding contracts may be for longer than one year.

The costs of raising funds relate to the costs incurred by the group and the charity in raising funds for the charitable work. Expenditure is allocated to the particular activity where the cost relates directly to that activity. Support costs comprise the salary and overhead costs of the central function. The central function includes costs relating to the Departments of Finance, Facilities, Information Services, People and the Chief Executive's Office. Governance costs include internal and external audit costs, legal and tax advice, Trustee expenses and Directors' time spent on the governance of the organisation. Governance costs and other support costs have been allocated to expenditure on charitable activities based upon full time equivalent staff numbers. These staff numbers are listed in note 7 to the Financial Statements.

f) Fund accounting

General 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, nor had any specific restrictions applied.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in note 16.

Restricted funds are used for specified purposes as laid down by the donor. Qualifying project expenditure is allocated to the fund, together with a proportion of overhead costs where agreed by the donor. Negative balances are carried forward on funds only where further income is considered highly probable in the following year.

g) Fixed assets and depreciation

Tangible and intangible fixed assets are stated at historic cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure on an asset is only capitalised where it provides an enhancement of the economic benefits of the asset. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation periods in use on a straight line basis are as follows:

Notes to the financial statements

For the year ended 31 March 2024 (continued)

1. Accounting policies (continued)

Motor vehicles	3 years
Equipment and furniture UK and overseas	3 years
Computer hardware and software	3 years
Lease improvements	10 years

Items of equipment are capitalised where the purchase price exceeds £1,500. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use, and meets the capitalisation criteria as per FRS 102.

h) Investment policy

The group's investment in an associate company is measured at cost less impairment. If there is any indication of impairment then the carrying amount will be tested and adjusted accordingly (note 12).

i) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are listed in Table 7 of the Charities SORP and are initially recognised at transaction value and subsequently measured at their settlement value (note 23).

j) Investments

The investment in the subsidiaries is valued at cost.

Donated shares which are freely tradable are included at the market valuation at the balance sheet date. Shares are not intended to be held as investments and are sold as soon as practically possible and proceeds recognised as income.

k) Cash at bank and in hand

Cash at bank and in hand is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. A cash equivalent will normally have a short maturity of six months or less from the date of acquisition.

l) Pension cost

The charity operates a defined contribution pension scheme for UK staff. The assets of the scheme are held separately from those of the charity in independently administered funds. Contribution payments are charged to the SOFA. Similarly our staff in country programmes and regions are provided with post employment benefits that comply with local employment legislation.

m) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA on a straight line basis for the duration of the lease contract.

n) Provisions

Provisions for future liabilities are recognised when the charity has a legal or constructive financial obligation, that can be reliably estimated and for which there is an expectation that payment will be made.

o) Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Accounting estimates and judgements with significant impact on financial statements are concerned with grant, legacy and gift-in-kind income. These and other estimates and judgements are listed below. It is the opinion of the Trustees that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical judgements in applying the Group's accounting policies

The Charity has through its trading company a 20% shareholding in WEAREGOODGIVING, a payroll giving company. The Charity does not have the power to significantly influence financial and reporting decisions made by WEAREGOODGIVING, therefore, the share capital has been classified as an investment in the accounts (note 12).

For grant income, entitlement is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions have been met. This judgement is made based on the income being reliably measured and probable based on contracted terms and progress made against agreed donor outcomes.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

1. Accounting policies (continued)

Critical accounting estimates and assumptions

WaterAid's estimate of legacy income entitlement is based on the following policy:

Pecuniary legacies are a fixed value income and we accrue all open gifts once probate has been granted and notification received.

Residuary legacies often involve the sale of assets such as stocks and property that vary over time and therefore WaterAid maintains a policy of only recognising the income from these legacies once final estate accounts have been issued. This is when the value is known with a high degree of probability and is a prudent interpretation of the SORP 2019. This interpretation is considered to be appropriate by the trustees in the context of WaterAid and has been consistently applied year on year. Those residuary legacies that do not meet recognition criteria are disclosed as part of the legacy pipeline as per note 2. Future residuary legacy income is based on a calculated estimate of the average value of a residuary gift.

Gifts in Kind are donated skills and services that are recognised as both income and expenditure and measured based on the value of the gift to WaterAid which could be market value or derived from the costs to the donor. The estimated cost for dilapidations work to be completed at the end of the lease period for the UK office building is recorded annually as a provision.

Where WaterAid staff members are involved in more than one activity between raising funds, delivery of charitable activities or support and governance an estimate of their time spent on each is made and costs allocated accordingly. WaterAid also estimates that support and governance costs are most reasonably allocated to raising funds and charitable activities in proportion to the respective levels of expenditure (note 5).

Going concern assumptions

As required by the Charities Statement of Recommended Practice (FRS 102), we assess whether there are any uncertainties that may cast doubt over our ability to continue as a going concern. For this purpose, we focus on a period of at least 12 months following the signing of these accounts, so the period to at least the end of September 2025.

Our annual budget and plan, approved by the Board in March 2024, represents management and the Board's best forecast of the fundraising targets and key income streams, alongside the expected cost base for the years to 31 March 2026.

This budget forms the base case for our going concern assessment. In addition, we have undertaken scenario modelling to understand the impact of various income downsides and cost pressures on our future expenditure both at a UK and country programme level. We have modelled several scenarios that when compared to the budget assumptions reflect lower income and a higher cost base.

We have also prepared acute or 'severe but plausible downside' scenarios, which combines high inflation with a prolonged cost of living crisis affecting stock and property prices, a material reduction in regular giving and not securing future unrestricted funding contracts with key unrestricted funding partnerships.

Although the impact of the acute scenario is severe and would require the consideration of mitigating actions to reduce our discretionary cost base, the analysis indicates that the Group would have sufficient liquidity and reserves to honour our committed funding obligations and to maintain sufficient liquidity throughout the going concern period.

Robust monitoring processes are in place to ensure that the organisation is able to react quickly to any downturn in income and the short term deposit investments held can be liquidated quickly in the event that they are required. The Group currently has no bank financing or loan agreements and therefore there are no covenants to consider.

As at 31 March 2024, the Group held a general income fund of £22m, well above the target set in order to remain financially stable. The surplus funds above target are planned for investment in programme growth in line with the current strategy.

Taking into account our current position and our principal risks, the Trustees have a reasonable expectation that the Charity will be able to continue in operation and meet its liabilities as they fall due over the medium term. Accordingly, the Group expects to continue to have access to sufficient liquid resources to meet its obligations for a period of at least 12 months after the approval of these financial statements, namely the period to the end of September 2025 and the Board therefore continues to adopt the going concern basis of accounting in preparing the financial statements.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

2. Income from donations and legacies

	Unrestricted £000	Restricted £000	2024 Total £000	Unrestricted £000	Restricted £000	2023 Total £000
Donations						
Regular giving, donations and appeals	41,910	2,753	44,663	40,920	1,862	42,782
Legacy income	12,299	392	12,691	11,978	865	12,843
Fundraising events	1,456	1,466	2,922	2,035	1,369	3,404
Total donations	55,665	4,611	60,276	54,933	4,096	59,029
Grants of a general nature						
Other WaterAid member countries	462	-	462	1,029	-	1,029
The Waterloo Foundation	-	-	-	150	-	150
People's Postcode Lottery	3,100	-	3,100	3,000	-	3,000
Total grants of a general nature	3,562	-	3,562	4,179	-	4,179
Gifts in kind						
Water industry partnerships	144	-	144	117	-	117
Customer appeal	105	-	105	115	-	115
Audit fees	48	-	48	43	-	43
Resilient Water Accelerator (RWA)	343	-	343			
Other	-	-	-	1	-	1
Total gifts in kind	640	-	640	276	-	276
Total	59,867	4,611	64,478	59,388	4,096	63,484

At 31 March 2024, WaterAid had been notified it will benefit from a number of legacies from estates whereby the value of the gift can only be estimated and timing of receipt of funds is uncertain. In addition to £2.2m (2023: £2.1m) of legacy income accrued in the financial statements as per our policy in note 1 (d) we estimate a further £17.1m (2023: £13.9m) of future legacy income. This pipeline value has not been recognised as income during the financial year as a significant proportion of the value relates to investments or property prices which can vary significantly between notification and receipt of funds. Conditional or contingent legacy income is not included in the pipeline where the outcome of the conditions can't be reliably ascertained. Contentious legacies are excluded from the pipeline until entitlement is legally established.

Gifts in kind provided by our Water Industry Partners relate to support for fundraising events and delivery of charitable activities, and customer appeal relates to printing services. Gifts in kind provided to the Resilient Water Accelerator (RWA) programme, represents pro bono consultancy services to progress work in Nigeria and Bangladesh. The auditors remuneration was £81k (2023: £77k) and also provided donated services of £48k by way of a subsidy allocation (2023: £43k). See note 21 for more detailed information. The subsidy allows the firm to provide audit services at a reduced fee while still ensuring the financial performance of the audit is sustainable.

3. Other trading activities

	Unrestricted £000	Restricted £000	2024 Total £000	Unrestricted £000	Restricted £000	2023 Total £000
Lotteries	472	-	472	628	-	628
Trading company	447	96	543	364	88	452
Total	919	96	1,015	992	88	1,080

Notes to the financial statements

For the year ended 31 March 2024 (continued)

4. Income from charitable activities

Grant funding for specific activities

	2024 Total £000	2023 Total £000
Other WaterAid member countries	9,725	14,855
The Foreign, Commonwealth and Development Office (FCDO)	2,151	514
Swiss Agency for Development and Cooperation	1,166	-
Swedish International Development Cooperation Agency	1,133	875
Kimberley-Clark	1,108	1,579
UNICEF	954	995
Japan International Cooperation Agency	922	847
AB InBev Foundation	791	-
Giorgio Armani Acqua for Life	588	683
DP World Income	500	200
Scottish Government	464	477
European Commission	462	1,198
Sustainable Safe WASH in Eastern Province	449	498
The Wimbledon Foundation	425	488
CUMMINS NIGERIA	369	-
Unilever*	300	1,700
BandAid	250	-
Climate Bridge Fund (CBF)	229	-
UNDP	218	-
GSK	205	-
Deltares	175	-
Global Development Incubator (GDI)**	174	-
Concern Worldwide	158	-
Heineken Africa Foundation	-	974
Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH	-	776
CowaterSogema International	-	635
Irish Aid	-	281
Coca Cola	-	222
Diageo	-	216
LIFT Fund	-	174
Other grants	1,476	1,412
Total	24,392	29,599
<i>*Hygiene Behaviour Change Coalition – received through Unilever</i>	300	1,700
<i>**Resilient Water Accelerator - received through Global Development Incubator</i>	174	-
UK Aid received directly from the Foreign, Commonwealth and Development Office (FCDO)	474	1,700
UK Aid Match – Promoting a gender responsive, climate resilient WASH in drought-prone communities in Ethiopia	1,147	-
Gender and Adolescent Inclusive School in Nepal	589	393
WASH Systems for Health - South Asia	252	-
One WASH	162	121
UK Aid received directly from the Foreign, Commonwealth and Development Office (FCDO)	2,150	514
Total UK Aid received from the Foreign, Commonwealth and Development Office (FCDO)	2,624	2,214

Grant funding for specific activities are displayed where total funding was greater than £150k for the current year.
Additional information on transactions with other WaterAid member countries can be found in note 22.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

5. Expenditure

	Staff costs £000	Other direct costs £000	Amortisation and depreciation £000	Allocation of support and governance costs £000	2024 Total £000	2023 Total £000
<i>Raising funds</i>						
Expenditure on raising grants, donations and legacies	7,364	13,441	502	2,402	23,709	23,398
Expenditure on other trading activities	26	(30)	-	-	(4)	142
	7,390	13,411	502	2,402	23,705	23,540
<i>Charitable activities</i>						
Supporting partners to deliver water, sanitation and hygiene	9,091	16,938	556	3,606	30,191	34,622
Strengthening national and local capacity to deliver services	7,308	10,965	188	4,331	22,792	21,900
Influencing policy in water, sanitation and hygiene	4,500	6,485	185	2,152	13,322	12,398
Supporting WaterAid globally	-	3,491	-	138	3,629	3,937
	20,899	37,879	929	10,227	69,934	72,857
Governance	864	197	-	(1,061)	-	-
Support costs	4,892	6,176	500	(11,568)	-	-
Governance and support costs	5,756	6,373	500	(12,629)	-	-
	34,045	57,663	1,931	-	93,639	96,397

Governance and support costs have been allocated on the basis of actual full time equivalent staff numbers over the year in each area of activity. These staff numbers are listed in note 6 to the Financial Statements.

The governance and support costs and gains on exchange rates were incurred as follows:

	2024 Total £000	2023 Total £000
Finance, people and information services	8,855	7,092
Chief Executive's Office, internal audit and governance	1,061	1,078
Premises and facilities	2,030	1,760
Strategy transition	981	1,433
Gifts in kind	45	127
Support costs	12,972	11,490
Realised and unrealised exchange gains on assets	(343)	(886)
Total of governance and support costs and exchange gains	12,629	10,604

The exchange rate movement is the net of the operational gains/losses incurred in delivering our services funded in GBP in local currencies and the gains/losses made on asset values held in currencies other than GBP.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

Prior year expenditure

	Note	Staff costs £000	Other direct costs £000	Amortisation and depreciation £000	Allocation of support and governance costs £000	2023 Total £000
<i>Raising funds</i>						
Expenditure on raising grants, donations and legacies		7,187	13,933	318	1,960	23,398
Expenditure on other trading activities		25	117	-	-	142
		7,212	14,050	318	1,960	23,540
<i>Charitable activities</i>						
Supporting partners to deliver water, sanitation and hygiene	7	9,540	21,916	431	2,735	34,622
Sector strengthening and capacity building to deliver water, sanitation and hygiene		7,231	10,379	149	4,141	21,900
Influencing policy in water, sanitation and hygiene		4,660	5,936	122	1,680	12,398
Supporting WaterAid globally		11	3,838	-	88	3,937
Governance		959	119	-	(1,078)	-
Support costs		4,156	5,030	340	(9,526)	-
Governance and support costs		5,115	5,149	340	(10,604)	-
		33,769	61,268	1,360	-	96,397

Notes to the financial statements

For the year ended 31 March 2024 (continued)

6. Staff costs and numbers

Staff costs for the charity and group were as follows:

	2024 £000	2023 £000
Wages and salaries	29,440	29,246
Social security costs	1,523	1,512
Other pension costs	3,082	3,011
	34,045	33,769

The number of employees, calculated on a full time equivalent basis and analysed on a functional basis, was as follows:

	2024 No.	2023 No.
Fundraising staff (cost of generating funds)	152	150
Staff delivering charitable activities	639	653
Support staff	72	77
Governance	13	12
	876	892

During the year, there was an increase in total staff costs by 1% (2023: 8.2%).

The average monthly headcount was 888 staff (2023: 906). The total number of WaterAid employees at 31 March 2024 was 909 (2023: 909).

The charity paid termination payments totalling £227k (2023: £206k). The majority relates to organisational change management process which led to redundancies in some country programmes and final entitlement payments for staff in country programmes that were closed during the year.

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

	2024 No.	2023 No.
£60,000 - £69,999	32	29
£70,000 - £79,999	14	17
£80,000 - £89,999	11	8
£90,000 - £99,999	9	6
£100,000 - £109,999	3	3
£110,000 - £119,999	3	2
£120,000 - £129,999	2	4
	74	69

The total employee benefits paid to the Chief Executive were salary and taxable benefits in kind (including employer national insurance contributions) of £137,481 (2023: £134,067) and pension contributions of £15,975 (2023: £14,035). The Chief Executive's salary is shown in the table above net of employer national insurance contributions of £9,616 (2023: £12,281).

In the UK, WaterAid makes contributions for its employees to a defined contribution scheme operated by Aegon.

The key management personnel of the charity comprise the Trustees, the Chief Executive and the executive Directors' Team. The total employee salary and benefits (including employer national insurance contributions but excluding pension), of the key management personnel of the group was £773k (2023: £708k). The number of key management personnel was seven (2023: six). The increased cost in 2024 reflects inflationary pay increases and a period of overlapping pay for the incoming and outgoing Executive Director of International Programmes.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

7. Charitable activities expenditure by location

	Unrestricted £000	Restricted £000	2024 Total £000	Unrestricted £000	Restricted £000	2023 Total £000
West Africa						
Burkina Faso	722	959	1,681	876	2,558	3,434
Ghana	431	1,261	1,692	470	607	1,077
Liberia	596	625	1,221	574	609	1,183
Mali	908	1,646	2,554	1,017	2,180	3,197
Niger	373	676	1,049	315	487	802
Nigeria	657	2,148	2,805	1,134	1,875	3,009
Sierra Leone	331	134	465	297	419	716
Regional management and support costs	1,071	101	1,172	991	79	1,070
	5,089	7,550	12,639	5,674	8,814	14,488
East Africa						
Ethiopia	1,152	2,263	3,415	946	2,989	3,935
Rwanda	736	2,136	2,872	731	1,459	2,190
Tanzania	1,194	555	1,749	1,414	1,010	2,424
Uganda	811	1,726	2,537	668	1,128	1,796
Regional management and support costs	1,072	47	1,119	1,197	49	1,246
	4,965	6,727	11,692	4,956	6,635	11,591
Southern Africa						
Kingdom of eSwatini (previously Swaziland)	175	(12)	163	569	639	1,208
Madagascar	924	880	1,804	907	1,598	2,505
Malawi	527	1,659	2,186	683	1,911	2,594
Mozambique	890	1,658	2,548	1,335	478	1,813
Zambia	787	1,422	2,209	550	4,444	4,994
Regional management and support costs	794	541	1,335	858	760	1,618
	4,097	6,148	10,245	4,902	9,830	14,732
Asia						
Bangladesh	1,077	3,154	4,231	1,011	2,566	3,577
Myanmar	299	224	523	454	941	1,395
Nepal	603	1,790	2,393	338	2,249	2,587
Pakistan	718	1,202	1,920	941	891	1,832
Regional management and support costs	445	159	604	492	61	553
	3,142	6,529	9,671	3,236	6,708	9,944
UK and other						
Supporting WaterAid globally	2,881	609	3,490	3,395	454	3,849
Other UK direct international programme support costs (including technical and programme effectiveness)	4,176	1,287	5,463	3,578	1,243	4,821
UK-based policy, campaigns and education costs	5,669	843	6,512	4,293	498	4,791
Allocated UK support costs to charitable activities	10,602	4	10,606	9,436	21	9,457
Exchange (gains)/losses	(604)	220	(384)	(902)	86	(816)
	22,724	2,963	25,687	19,800	2,302	22,102
Total	40,017	29,917	69,934	38,568	34,289	72,857

The total spend on charitable activities, as per the consolidated statement of financial activities, was £53m (2023: £56.5m) on delivery of water, sanitation and hygiene, including sector strengthening and £13.3m on influencing policy in water, sanitation and hygiene (2023: £12.4m).

Notes to the financial statements

For the year ended 31 March 2024 (continued)

8. Payments to partner organisations

WaterAid has transferred a total of £7.9m (2023: £10.5m) to partners for the delivery of some of our programmatic work for the year ended 31 March 2024. Funding was provided to 75 (2023: 104) different partners under separate partnership agreements.

Transfers have been made to the following number of partners by size:

	2024 No.	2023 No.
£0- £49,999	32	56
£50,000 - £99,999	17	14
£100,000 - £149,999	10	13
£150,000 - £199,999	5	6
£200,000 - £249,999	2	3
£250,000 and over	9	12
	75	104

The top 20 financial implementing partners recipients during the year ended 31 March 2024 are listed below. The implementation costs are included in the charitable expenditure outlined in notes 5 and 7.

Name of partner	Country	2024 £000	2023 £000
1 Les Compagnons Fontaniers du Rwanda	Rwanda	774	-
2 Tsogang Water and Sanitation	South Africa	464	548
3 Nabolok	Bangladesh	417	156
4 Dushtha Shasthya Kendra - DSK	Bangladesh	417	269
5 Laar Humanitarian Development Program	Pakistan	405	-
6 APROFEM	Mali	382	311
7 AYATEKE Star Company LTD	Rwanda	322	291
8 Backward Society Education (BASE)	Nepal	305	146
9 Rupantar	Bangladesh	274	343
10 ALPHALOG	Mali	249	322
11 Dalit Janakalyan Yuwa Club	Nepal	206	172
12 Doaba Foundation	Pakistan	181	235
13 Sajida Foundation	Bangladesh	159	237
14 Eco-Social Development Organization - ESDO	Bangladesh	158	128
15 Village Education Resource Center - VERC	Bangladesh	156	104
16 RWCA - Rwanda Wildlife Conservation Association	Rwanda	152	32
17 Groupe SDI	Mali	147	141
18 Centre Culturel Kore Segou	Mali	145	150
19 DevCon-As association for Rural Development	Pakistan	144	22
20 AMREF Health Africa	Malawi	144	200
Other partners		2,303	6,648
Total payments to implementing partners		7,904	10,455

Notes to the financial statements

For the year ended 31 March 2024 (continued)

9. Fixed assets

Group and charity	Intangible assets		Tangible assets		Total £000
	Software £000	Lease improvements £000	Motor vehicles £000	Equipment and furniture £000	
Cost					
At 1 April 2023	8,004	2,464	3,687	3,299	17,454
Additions in year	994	-	316	31	1,341
Disposals in year	(2,274)	-	(515)	(1,282)	(4,071)
At 31 March 2024	6,724	2,464	3,488	2,048	14,724
Accumulated amortisation/depreciation					
At 1 April 2023	5,725	615	3,112	2,352	11,804
Charge for the year	1,050	246	321	309	1,926
Disposals in year	(2,274)	-	(505)	(1,264)	(4,043)
At 31 March 2024	4,501	861	2,928	1,397	9,687
Net book value					
At 31 March 2024	2,223	1,603	560	651	5,037
At 31 March 2023	2,279	1,849	575	947	5,650

Prior year fixed assets

Group and charity	Intangible assets		Tangible assets		Total £000
	Software £000	Lease improvements £000	Motor vehicles £000	Equipment and furniture £000	
Cost					
At 1 April 2022	7,021	2,458	3,922	3,113	16,514
Additions in year	983	6	307	600	1,896
Disposals in year	-	-	(542)	(414)	(956)
At 31 March 2023	8,004	2,464	3,687	3,299	17,454
Accumulated amortisation/depreciation					
At 1 April 2022	5,229	369	3,337	2,464	11,399
Charge for the year	496	246	317	301	1,360
Disposals in year	-	-	(542)	(413)	(955)
At 31 March 2023	5,725	615	3,112	2,352	11,804
Net book value					
At 31 March 2023	2,279	1,849	575	947	5,650
At 31 March 2022	1,792	2,089	585	649	5,115

Notes to the financial statements

For the year ended 31 March 2024 (continued)

10. Debtors

Amounts due within one year:

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Amounts owed by WaterAid Trading Limited	-	-	264	1,255
Amounts owed by WaterAid international	237	-	237	-
Grant debtors	2,953	3,224	2,953	3,224
Other debtors	1,095	1,580	1,034	1,256
Gift Aid tax recoverable	1,129	784	1,129	784
Prepayments	1,453	1,069	1,453	1,069
Accrued income	4,271	2,418	4,271	2,393
	11,138	9,075	11,341	9,981

Amounts owed by WaterAid Trading Limited are unsecured, interest free, have no fixed date of repayment and are payable on demand.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

11. Group companies

WATERAID TRADING LIMITED Company number 02362892
WaterAid Trading Limited is incorporated in England and Wales (company number: 02362892). WaterAid Trading Limited's registered office and operational address is: WaterAid, 6th Floor, 20 Canada Square, London, E14 5NN.

a) Profit and loss account	2024 £000	2023 £000
Turnover	526	439
Cost of sales	(14)	(24)
Gross profit	512	415
Administrative and selling expenses	(48)	(34)
Impairment reversal /(charge)	82	(82)
Operating profit	546	299
Interest receivable	17	12
Profit on ordinary activities	563	311
Corporation tax	(16)	(311)
Gift Aid to WaterAid under Deed of Covenant	(547)	(311)
	-	-
b) Balance sheet	2024 £000	2023 £000
Non-current assets		
Investment in associated companies: WeAreGoodGiving Ltd.	182	100
	182	100
Current assets		
Debtors	62	353
Cash at bank and in hand	264	947
	326	1,300
Creditors		
Amounts due within one year	(508)	(1,400)
Net assets	-	-
Represented by:		
Share capital	-	-

WaterAid Trading Limited has a share capital of two £1 ordinary shares (2023: two £1 ordinary shares)

A deed of covenant is in place whereby all profits generated by the company are distributed to the parent charity in the form of a 'qualifying distribution'.

Wholly owned subsidiaries

WATERAID (WASH AND CLIMATE CHANGE) LIMITED Company number 12508772
Registered Office: 6th Floor, 20 Canada Square, London E14 5NN

On 10 March 2020, two new companies guaranteed by WaterAid, without share capital, were incorporated in England and Wales for the purpose of funding lotteries. WaterAid holds 100% of the voting rights of each company and has the right to appoint a majority of the board of directors of the companies. In accordance with sections 394A and 448A of the Companies Act 2006, Directors confirm that both companies were dormant throughout the financial year. Directors are exempt from the requirement to deliver a copy of the companies' annual accounts in accordance with these sections.



Pravati Rani, 30, drinking a glass of clean water from the Reverse Osmosis Plant, Borokuput, Shyamnagar, Bangladesh. June 2023.
WaterAid/ Fabeha Monir

Notes to the financial statements

For the year ended 31 March 2024 (continued)

12. Fixed asset investment

Wateraid Trading Ltd invested £82k in March 2022 for a 20% shareholding in a new payroll giving company: WEAREGOODGIVING Ltd with registered company number 13256341. An additional £100k was invested in February 2023. The other equal shareholders are four other charities. The new company was set up with an independent Managing Director and three Non-Executive Directors nominated from the charities. In addition to the articles of association, the company governance is established by the Subscription and Shareholding Agreement. There were no distributions in the financial year, however a decision was made to reverse the impairment of £82,000 that was made in the prior financial year based on our assessment that the asset value has improved through the acquisition of a leading company in the sector, and approval of further investment in the company. The carrying value of the asset is £182k (see table below).

Cost	2024 £000	2023 £000
At 1 April 2023	100	82
Investment in year	-	100
Asset reversal/(impairment)	82	(82)
Net book value at 31 March 2024	182	100

13. Cash at bank and in hand

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Cash and bank balances in UK	23,895	29,870	23,311	28,603
Cash and bank balances overseas	2,983	4,482	2,983	4,482
Short-term deposits in UK	4,200	3,000	4,200	3,000
	31,078	37,352	30,494	36,085

The short-term deposits are those which can be accessed with no notice.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

14. Creditors: amounts falling due within one year

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Trade creditors	2,791	4,041	2,791	4,041
Taxation and social security	1,017	746	788	636
Other creditors	184	376	184	356
Accruals	2,346	3,194	2,331	3,182
Deferred income	203	229	203	229
	6,541	8,586	6,297	8,444

The deferred income relates to funding received for activities in a future period.

The movements in deferred income are analysed as follows:

Group and charity	2024 £000	2023 £000
Deferred income at the beginning of the year	229	182
Amounts released from previous years	(229)	(182)
Income deferred in the year	203	229
Deferred income at the end of the year	203	229

15. Provision for liabilities and charges

	Group		Charity	
	2024 £000	2023 £000	2024 £000	2023 £000
Provision falling due under one year				
Provisions at beginning of the year	1,444	1,425	1,125	1,106
Amount charged to statement of financial activities	1,724	1,509	1,724	1,509
Amount released to statement of financial activities	(1,695)	(1,490)	(1,695)	(1,490)
Provisions at end of the year	1,473	1,444	1,154	1,125
Provision falling due more than one year				
Dilapidation provision	209	157	209	157
	209	157	209	157

Provisions include end of contract provisions for staff on non-UK contracts and contract retention amounts on programme construction works. Contract provisions for staff include lump sums paid at the end of contract, similar to a pension scheme and/or loyalty payment which is paid on full completion of service. Dilapidation provision is charge for the rental of office space in the UK at 20 Canada Square.

16. Movements in funds

	At 1 April 2023 £000	Income £000	Expenditure £000	At 31 March 2024 £000
Unrestricted funds:				
Designated funds: Fixed assets fund	5,748	674	(1,521)	4,901
Total designated funds	5,748	674	(1,521)	4,901
General funds	22,847	61,088	(61,952)	21,983
Total unrestricted funds	28,595	61,762	(63,473)	26,884
Restricted funds:				
Bangladesh	1,636	4,275	(3,383)	2,528
Burkina Faso	495	925	(976)	444
East Africa Region	60	-	(56)	4
Ethiopia	303	2,512	(2,497)	318
Ghana	612	1,873	(1,265)	1,220
Kingdom of eSwatini	(24)	14	10	-
Liberia	129	588	(634)	83
Madagascar	(577)	1,765	(912)	276
Malawi	686	1,978	(1,677)	987
Mali	174	1,972	(1,646)	500
Mozambique	852	822	(1,779)	(105)
Myanmar	12	247	(237)	22
Nepal	1,340	1,782	(1,898)	1,224
Niger	29	220	(685)	(436)
Nigeria	1,431	2,633	(2,166)	1,898
Pakistan	19	1,238	(1,233)	24
Rwanda	1,992	2,062	(2,210)	1,844
Sierra Leone	(55)	187	(132)	-
Southern Africa Region	359	383	(552)	190
South Asia	100	180	(160)	120
Tanzania	(157)	557	(550)	(150)
Uganda	1,923	988	(1,775)	1,136
West Africa Region	94	56	(102)	48
Zambia	873	529	(1,468)	(66)
UK	1,089	1,313	(2,183)	219
Total restricted funds	13,395	29,099	(30,166)	12,328
Total funds	41,990	90,861	(93,639)	39,212

The table above is presented at an aggregate country programme level. Included in these balances are funds in deficit which total £3.9m (2023: £4.2m). In accordance with SORP 2019 paragraph 2.15, restricted fund balances may be negative when expenditure is made on a project that is expected to be reimbursed by a donor, but where, at the end of the financial year, not all the conditions have been met that would justify this income being recognised within the accounts. This results in an excess of expenditure over income on individual restricted funds. It is considered that the likelihood of reimbursement is of a sufficient level to justify the carrying of these deficit funds at the end of the year.

The Trustees’ Annual Report explains the main reasons why the group and the charity hold unrestricted funds and the adequacy of these funds at the year end. The reserves policy is reviewed on an annual basis and regularly monitored.

16. Movements in funds for prior year

	At 1 April 2022 £000	Income £000	Expenditure £000	At 31 March 2023 £000
Unrestricted funds:				
Designated funds: Fixed assets fund	5,195	958	(405)	5,748
Total designated funds	5,195	958	(405)	5,748
General funds	24,360	59,803	(61,316)	22,847
Total unrestricted funds	29,555	60,761	(61,721)	28,595
Restricted funds:				
Bangladesh	1,122	3,051	(2,537)	1,636
Burkina Faso	906	2,200	(2,611)	495
East Africa Region	20	84	(44)	60
Ethiopia	1,055	2,470	(3,222)	303
Ghana	627	592	(607)	612
Kingdom of eSwatini	337	278	(639)	(24)
Liberia	(140)	886	(617)	129
Madagascar	215	849	(1,641)	(577)
Malawi	584	2,062	(1,960)	686
Mali	502	1,852	(2,180)	174
Mozambique	(30)	1,388	(506)	852
Myanmar	435	575	(998)	12
Nepal	2,136	1,554	(2,350)	1,340
Niger	(93)	609	(487)	29
Nigeria	660	2,728	(1,957)	1,431
Pakistan	95	864	(940)	19
Rwanda	406	3,108	(1,522)	1,992
Sierra Leone	(90)	454	(419)	(55)
Southern Africa Region	426	713	(780)	359
South Asia Region	51	88	(39)	100
Tanzania	389	463	(1,009)	(157)
Uganda	829	2,243	(1,149)	1,923
West Africa Region	(16)	184	(74)	94
Zambia	2,831	2,585	(4,543)	873
UK	1,033	1,903	(1,847)	1,089
Total restricted funds	14,290	33,783	(34,678)	13,395
Total funds	43,845	94,544	(96,399)	41,990

The table above is presented at an aggregate country programme level. Included in these balances are funds in deficit which total £4.2m (2022: £2.4m). In accordance with SORP 2019 paragraph 2.15, restricted fund balances may be negative when expenditure is made on a project that is expected to be reimbursed by a donor, but where, at the end of the financial year, not all the conditions have been met that would justify this income being recognised within the accounts. This results in an excess of expenditure over income on individual restricted funds. It is considered that the likelihood of reimbursement is of a sufficient level to justify the carrying of these deficit funds at the end of the year.

The Trustees’ Annual Report explains the main reasons why the group and the charity hold unrestricted funds and the adequacy of these funds at the year end. The reserves policy is reviewed on an annual basis and regularly monitored.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

16. Movements in funds (continued)

Designated funds

Designated funds currently consist of the Fixed Asset Fund of £4.9m (2023: £5.7m) which represents the net book value of the charity's intangible and tangible fixed assets.

General funds

The Board of Trustees has set a target operational reserve within the general funds to enable WaterAid to meet the potential costs related to any corporate risks materialising. The rationale for these reserves is discussed in the Trustees' Annual Report and the operational reserve targeted for 2023-24 was a range of £13m to £17m. The balance as at 31 March 2024 was £22m (2023: £22.8m).

Restricted funds

Restricted funds are used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of support costs in line with the terms of the contract.

Negative balances are carried forward on funds only where further income is considered highly probable in the following year.

17. Analysis of group net assets between funds

	Fixed assets £000	Net current assets £000	2024 Total funds £000	Fixed assets £000	Net current assets £000	2023 Total funds £000
Restricted income funds	-	12,328	12,328	-	13,395	13,395
Designated funds	4,901	-	4,901	5,748	-	5,748
General income funds	-	21,983	21,983	-	22,847	22,847
Total funds as at 31 March 2024	4,901	34,311	39,212	5,748	36,242	41,990

18. Taxation and charitable status

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary WaterAid Trading Limited pays available profits to the charity through Gift Aid under deed of covenant. Its charge for corporation tax in the year was £16k (2023: £nil). The corporation tax was paid due to the impairment provision made on the investment in WEAREGOODGIVING in the prior year.

19. Company limited by guarantee

The liability of 37 members (2023: 37) of the charity is limited by guarantee to £1 each.

20. Operating lease commitments

The charity had the following future minimum lease payments under noncancellable operating leases for each of the following periods:

	Land and buildings	
	2024 £000	2023 £000
Within one year	1,114	977
1 – 2 years	929	1,023
2 – 5 years	3,448	3,156
More than 5 years	773	1,804
	6,264	6,960

WaterAid holds a 15 year operating lease from 31 December 2019 for the rental of office space in the UK with a break option after 10 years.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

21. Net movement in funds or net income for the year

This is stated after charging/(crediting):

	2024 £000	2023 £000
Amortisation and depreciation	1,926	1,360
Trustees' indemnity insurance	7	6
Trustees' reimbursed expenses	42	5
Auditors' remuneration – PwC:		
Audit – WaterAid UK	108	65
Audit – WaterAid Trading Limited	13	12
Audit Gift in Kind	48	43
Auditors' remuneration – Other audit firms	80	87
Exchange gain	(343)	(886)
UK operating lease rentals – buildings	988	902

Trustees of the charity do not receive remuneration for their services but are reimbursed for travel and accommodation expenses. During the year, 14 Trustees were reimbursed for expenses totaling £41,720 (2023: 5 Trustees; £5,237). The increased trustees expenses was due to country programme field visits and an in-person trustees meeting.

Trustee indemnity insurance covers Trustees against personal liability in certain circumstances if legal claims were to be made against them.

The group paid £201k total audit fees excluding gifts in kind in the year ended 31 March 2024 (2023: £167k). This figure includes £81k, exclusive of VAT (2023: £77k) for the consolidated statutory audit provided by PwC UK, who also provided audit services as a gift in kind with a value of £48k (2023: £43k). It also includes fees of £40k, exclusive of VAT, (2023: £nil) relating to the 2022/23 audit provided by PwC. Other audit fees relate to services provided by firms other than PwC for overseas country office external audits, project audits and donor grant audits as required by the conditions of funding contracts. PwC provided £300 of non-audit services to the group.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

22. Related party transactions

WaterAid, WaterAid America, WaterAid Australia, WaterAid Canada, WaterAid Sweden, WaterAid India (Jal Seva Charitable Foundation) and WaterAid Japan are members of WaterAid international, operating under licence from WaterAid international to use the name WaterAid. All these organisations share the same objectives and vision. WaterAid receives funding for its charitable objectives from WaterAid America, WaterAid Australia, WaterAid Canada, WaterAid Japan and WaterAid Sweden. WaterAid has provided grants to support WaterAid America, WaterAid Sweden and WaterAid India in 2024 for programmatic, fundraising and organisational development.

Transactions between WaterAid and other member countries of the WaterAid Federation were as follows:

	Received from:		Paid to:	
	2024 £000	2023 £000	2024 £000	2023 £000
WaterAid America	7,330	10,472	1,042	2,010
WaterAid Australia	45	551	-	-
WaterAid Canada	995	1,549	-	-
WaterAid Japan	45	18	-	-
WaterAid Sweden	1,691	3,178	460	-
WaterAid India	-	-	1,456	1,309
WaterAid international	80	115	532	529
	10,186	15,883	3,490	3,848

During the year WaterAid paid expenses on behalf of WaterAid international of £197k (2023: £168k). At 31 March 2024 the outstanding debtor balance with WaterAid international and other members was £147k (2023: £225k) which is due to be settled early in the 2024-25 financial year. WaterAid donated services as a gift in kind to WaterAid international in the form of office space and staff costs during the year. The donated services were valued at £667k (2023: £664k).

Full declarations of interest are obtained from Trustees and Directors for their own activities outside of WaterAid governance as well as those of their spouses/ partners and dependants.

Hilary Wild is a trustee of Christ Church. During the year WaterAid received £3,091 from Christ Church (2023: £nil).

Andy Green was a trustee of WWF (up to October 2023) to which WaterAid made no payments in 2024 (2023: £6,214).

Heidi Mottram is CEO of Northumbrian Water Group. During the year WaterAid received £103,522 from Northumbrian Water Group Ltd (2023: £76,122). Heidi also personally donated £14,009 in 2024 (2023: £5,000).

Alyson Clark personally donated £630 in 2024 (2023: £120).

Peter Simpson is CEO of Anglian Water. During the year WaterAid received £820,765 from Anglian Water Services Limited (2023: £843,216) and £nil from AWG Corporate Services Limited (2023: £80). Peter also personally donated £950 in 2024 (2023: £5,520).

Mala Rao personally donated £940 in 2024 (2023: £840).

Heather Skilling is a consultant to the World Bank. During the year WaterAid received no payments from the World Bank (2023: £30,711).

The charity has disclosed the financial statements of the subsidiary, WaterAid Trading Limited, detailed in note 14.

Notes to the financial statements

For the year ended 31 March 2024 (continued)

Transactions between WaterAid UK and WaterAid Trading	Net income to charity £000	Balance owed to charity at 31 March 2024 £000	Net income to charity £000	Balance owed to charity at 31 March 2023 £000
Trademark – Logo	33	-	21	-
Deed of Covenant	(547)	-	(311)	-
Admin expenses	32	-	32	-
Group undertaking	-	264	-	1,255

23. Financial instruments

Financial assets

	2024 £000	2023 £000
Cash and cash equivalents	31,078	37,352
Grant receivables	2,952	3,224
Other receivables	2,225	2,364
Accrued income	4,271	2,418
	40,526	45,358

Financial liabilities

	2024 £000	2023 £000
Trade creditors	2,791	4,041
Other creditors	972	1,122
Accruals	2,331	3,194
	6,094	8,357

In respect of disclosure of financial instruments, sections 11 and 12 of FRS 102 have been adopted.

All financial assets and liabilities are payable or receivable within one year are therefore measured at an undiscounted value.

We are determined for everyone, everywhere to have clean water, decent toilets and good hygiene.

By tackling these three essentials in ways that last, people can change their lives for good.



WaterAid/ Laura Pannack

▲ Students use their school water tap, Kazungula district, Zambia. November 2023.



WaterAid, 6th Floor, 20 Canada Square, London E14 5NN

Registered charity numbers 288701 (England and Wales)
and SCO39479 (Scotland) Company number: 1787329

