

Company number: 03597005

Charity number: 1076690

# International Water Association

Report and financial statements

For the year ended 31 December 2022

# International Water Association

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### For the year ended 31 December 2022

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# International Water Association

## Trustees' Report

For the year ended 31 December 2022

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### Trustees

Thomas Mollenkopf (President, Chair)  
Kalanithy Vairavamoorthy (Executive Director)  
Marie-Pierre Whaley (Senior Vice President)  
Daniel A. Nolasco (Vice President)  
Teodor Popa (Treasurer)  
Rose Kaggwa  
Walter Kling  
Sankaralingam Mohan  
María Molinos-Senante  
Elisabeta Poci  
Harsha Ratnaweera  
Satoshi Takizawa  
Peter Vanrolleghem  
Xiaochang Wang

### Company registered number

03597005 (England & Wales)

### Charity registered number

1076690 (England & Wales)

### Registered Office

1.04 & 1,05 Export Building, Republic, 1 Clove Crescent, London E14 2BA, UK

### Company Secretary

Mr Satkunam Murugathas

### Executive Director

Dr Kalanithy Vairavamoorthy

### Independent auditor

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London EC1Y 0TL, UK

### Principal Bankers

HSBC Bank Plc, London SW1H 0NJ, UK

# International Water Association

## Trustees' Report

### For the year ended 31 December 2022

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The IWA Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the audited consolidated financial statements of the International Water Association (the 'Association' or 'IWA') for the year ended 31 December 2022.

The Trustees confirm that the annual report and financial statements of the Association and the group comply with:

- a) the current statutory requirements;
- b) the requirements of the Association, and the Association's governing document; and
- c) the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### 1. OBJECTIVES AND GENERAL ACTIVITIES

##### Objectives of the Association

These are to:

- (a) promote the art and science of water management for the public benefit, particularly, but not exclusively, by the encouragement of education, training, study, and research in water management and the publication of the useful results of such research;
- (b) advance the education of members of the public in the science and practice of water management;
- (c) promote and enable the development and direct provision of water management schemes worldwide for the public benefit, where "water management" means the establishing, maintaining, and securing of safe and sustainable water supplies, storm water systems, and wastewater treatment and disposal systems.

##### Strategies for achieving objectives

The Association fulfils its objectives by:

- (a) holding a World Water Congress every two years in different continents of the world;
- (b) holding worldwide regional and specialised conferences, seminars, webinars, and workshops, providing a continual source of knowledge and information;
- (c) publishing a range of books, journals, and reports; and
- (d) promoting multi-level collaboration amongst its members and others through, for example, specialist groups, task forces, forums, regional associations, projects, and programmes.

#### **Activities for achieving objectives**

The International Water Association continues to develop as the global reference point for water professionals working on all aspects of the water cycle. IWA helps water professionals deliver innovative, pragmatic, and sustainable solutions to challenging global needs for safe water and sanitation, within urban areas and river basins.

IWA is a unique global knowledge hub for water professionals, and anyone concerned about the future of water. As such, IWA continues to inspire change towards our common vision of a water-wise world.

Through the Association, members collaborate to lead the development of effective and sustainable approaches to water management, with emphasis on the science and management of drinking water, wastewater, stormwater, and the conservation of water resources throughout the world.

IWA's World Water Congress & Exhibition is an important component of its activities for achieving its objectives. 2022 saw the world begin to emerge from the COVID-19 pandemic and during the year the Association delivered an extremely successful edition of this event, held in Copenhagen, Denmark.

More generally, the Association continued to maintain close working relationships with all the major international water agencies and associations, partnering with these bodies, and engaging members, on joint projects, publications, and representation of positions in international forums.

The Association has a strong and developing outreach programme concerned with the transfer of knowledge and skill in water management from professionals across all countries. With members engaged in the delivery of this programme, it maintains a strong focus on environmental health, hygiene, and sanitation issues in lower-income countries.

#### **Main charitable activities for the public benefit**

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 and have taken due regard to the Charity Commission's general guidance on public benefit.

This is achieved by the generation and dissemination of knowledge and best practices on all facets of the water cycle. This occurs formally at conferences, facilitated exchanges through the specialist groups, task forces, and other member networks (such as the Young Water Professionals) and through the journals, books and other publications produced by the Association.

Activities during 2022 with a particular relevance to public benefit included launch by IWA of a major initiative on Inclusive Urban Sanitation (IUS). This is an ambitious programme that seeks to reshape the urban sanitation agenda globally, securing more inclusive progress, especially in low- and middle-income countries. Also, the unprecedented effects of climate change have already had and will have a significant impact on utilities' ability to provide safe water and sanitation services while also protecting people and assets. It is notable therefore that progress with IWA's Climate Smart Utilities initiative during 2022 included launch of a dedicated Recognition Programme to inspire progress by utilities. Both initiatives are described in more detail in Section 3.

#### **Open Access publishing and the public benefit**

In 2022, further progress was made with the delivery of publications under an Open Access model and on increasing diversity and representativeness in relation to publications. In particular, the number of citations of journal papers more than doubled in 2022, increasing by 114%, and with 66% of citations coming from researchers in the Global South. On the books programme, 81% of titles published were Open Access. This helped a high level of online readership, with 1.1 million book downloads in 2022.

## **2. GROUP STRATEGIC OVERVIEW**

2022 was an extremely successful year for IWA. With the world emerging from the COVID-19 pandemic, a particular highlight of the year was the 2022 IWA World Water Congress & Exhibition 2022, held in the city of Copenhagen, Denmark from 11-15 September. With some 8900 participants and a comprehensive programme that featured, for example, IWA's first-ever High-Level Summit, this edition represented the most successful ever. Built around the theme of 'Water for Smart Liveable Cities', the event secured a high level of visibility for IWA and its activities.

There has been strong progress with various programmes. In particular, this year has seen the launch of a new initiative on Inclusive Urban Sanitation, which aims to reshape the global urban sanitation agenda. Also, the Climate Smart Utilities programme is gathering pace, bringing together an increasing number of water and wastewater utilities to share responses to climate change. A particular highlight here was the launch of the Climate Smart Utilities Recognition Programme, under which the activities of 42 utilities from around the world were celebrated during the Congress.

2022 was also a successful year in terms of progress with work to support younger water professionals. Groups in IWA's Young Water Professionals community held or participated in numerous events across the year, new country Chapters were formed, and YWPs were highly integrated into the Congress programme. In addition to this, two important initiatives were announced during the Congress. One of these was the agreement to create the Emerging Water Leaders Endowment Fund, supported by Glen and Patty Daigger; the other was the IWA-Grundfos 'Youth Action for SDG 6' Fellowship, as a result of which 12 young individuals were selected to attend the UN Water Conference in 2023.

A further important step for IWA during the year was the inaugural Digital Water Summit – also IWA's first dedicated business-to-business event. Building on the success of our Digital Water Programme, this brought together solutions providers and utility end users to focus on this rapidly evolving topic.

Other activities during the year have included launching an initiative on Diversity, Equity and Inclusivity as a focus for future development that builds on progress already achieved. Also, 2022 was the year in which IWA could note reaching a 75-year heritage. A special project was initiated in 2022 to document the history of IWA and its predecessors and the first outputs of this were delivered. Also, a great deal of work was undertaken during 2022 to develop the Association's new networking and knowledge platform for members, Connect Plus, ready for launch in the first weeks of 2023.

Overall, the Association continued to advance its core mission, visible through our diverse activities and a strong membership base that broadly remained steady in terms of membership numbers. This progress was supported by IWA's strong foundations, which are based on financial prudence and the commitment of all the many people involved – i.e., the Board, staff, members, and partners.

#### Key financial performance indicators

The consolidated financial statements, as presented, comply with the legal requirements of both the Charity Commission and the Companies Act.

Income from charitable activities was £6,282,950 (2021: £1,047,006). Other income, including income from trading activities, investments, and other sources, was £4,258,756 (2021: £5,034,396) giving total income for the year of £10,541,707 (2020: £6,081,402).

After making provision for Loss on investments of £187,827 (2021: Gain £102,256) the net increase in group funds was £1,442,961 (2021 increase of: £328,113) providing closing group funds as of 31 December 2022 of £4,375,151 (2020: £2,932,190).

### 3. ACHIEVEMENTS AND PERFORMANCE

#### Programmes

Through 2022, IWA made further important progress with numerous programmatic initiatives that contribute to the Association's aim of shaping the global water agenda. Designed to facilitate member involvement in issues of strategic importance to the Association, these are broadly focused on cities and on water and wastewater utilities.

One important area of progress was on the use and implications of digital technologies in the water sector. The water industry, and in particular water utilities, needs to adapt to meet current and emerging demands. Digital technologies present numerous opportunities to respond and utilities therefore need to transition to become digitally-enabled organisations. The IWA Digital Water Programme helps facilitate the journey of the water industry towards digital uptake and integration into water services. The programme is a gateway for water utilities to access knowledge on the application of digital approaches to improve capacity and performance.

A significant output for the Digital Water Programme during 2022 was the launch of the publication 'A Strategic Digital Transformation for the Water Industry', which was presented at the 2022 IWA World Water Congress & Exhibition. This publication is a compilation of the knowledge shared and generated so far in the Digital Water Programme. It is an insightful collection of white papers covering best practices, linking academic and industrial studies/insights with applications to give real-world examples of digital transformation. The Digital Water Programme was also instrumental in the delivery of IWA's first Digital Water Summit, held in Bilbao, Spain, in November 2022 (see Events section below).

A major development in IWA's programmatic activity in 2022 was the launch of the Inclusive Urban Sanitation (IUS) initiative. This aims to alter the global urban sanitation agenda by emphasising the need for a faster and more inclusive approach to expanding safe service coverage that goes beyond technological improvements and infrastructure development. The programme is funded by the Bill & Melinda Gates Foundation. It will develop a framework with broad practical application to identify global goals and the basics of a public-sector approach to service outcomes that may improve inclusive urban sanitation, particularly in low- and middle-income countries. The IUS initiative was formally launched at the World Water Congress & Exhibition, whose focus included an emphasis on the necessity of sustainable and inclusive sanitation, focusing on the need for an accelerated and inclusive approach to expanding safe service coverage – beyond just technology advancements and infrastructural development.

IWA also continued to progress its Climate Smart Utilities initiative. The effects of climate change, such as flash floods, sea level rise, drought, changes in precipitation patterns, have substantially impacted utilities' ability to provide clean water and sanitation services while protecting people and assets. On the other hand, utilities are responsible for up to 2% of global greenhouse gas emissions, as evidenced by high energy consumption related to water and wastewater conveyance and treatment, as well as

fugitive GHG emissions from processes. The Climate Smart Utilities initiative champions real-world examples, best practices, and technologies that can inspire utilities and the larger water professional community to embrace informed decision-making processes, as well as lead and embrace the cultural shift on three interconnected pillars of climate action: climate adaptation, mitigation, and leadership.

IWA opened its first year of calls for submissions to the new dedicated Recognition Programme within the Climate Smart Utilities initiative. The goal of this recognition programme is to inspire utilities to become more Climate Smart, fostering Climate Action by them. Following a large number of applications, 42 utilities were recognised for their outstanding performance in combating climate change in a special ceremony during the World Water Congress & Exhibition.

In the programme area of Basins of the Future, the 'Handbook on Basin-Connected Cities' was launched during the 2022 World Water Congress. This publication, created in a collaboration between IWA and the International Network of Basin Organizations (INBO), aims to aid decision-making in increasing the city's connectivity and integration with its river basin. It builds on the IWA Action Agenda for Basin-Connected Cities, which provides a framework for utilities, cities, and their industries to become water stewards in collaboration with basin stakeholders.

#### Events

With the world emerging from the COVID-19 pandemic, opening the way for resumption of travel, IWA's events programme began to return to strength.

**2022 World Water Congress & Exhibition:** The 2022 IWA World Water Congress & Exhibition, held in Copenhagen, Denmark from 11-15 September, was a great success. It drew some 8900 participants from 102 countries. The comprehensive programme included 162 technical sessions, 64 workshops, 1167 submitted papers, 500 posters presented, 6 forums, 9 plenaries, 8 keynotes, 2 master lectures. The Copenhagen edition featured IWA's first-ever high-level political summit which saw the participation of four national ministers and other high level governmental, state, city and UN representatives among the 184 invited participants. The event therefore represents IWA's largest and most successful Congress to date. Titled 'Water for Smart Liveable Cities', the event drew participants from across the spectrum of the sector, including water experts from utilities, academia, private firms, governments, and global organisations. National politicians, mayors and policymakers attended the event, demonstrating a successful link between policy and practice. Discussions centred on six major theme tracks: water utility management; wastewater management; drinking water and potable reuse; city-scale planning and operations; communities, communications, and collaborations; and water resources and large-scale water management.

**Digital Water Summit:** IWA's inaugural Digital Water Summit, and first dedicated business-to-business event, held in Bilbao, Spain, in November 2022 was co-organised with local water utility Consorcio de Aguas Bilbao Bizkaia and AEAS - the Spanish Water and Wastewater Association. The aim of the Summit was to support the industry on its 'digital transformation path', serving as a focal point for the water sector's digitalization by bringing together all stakeholders from technology providers to end users. Technical Sessions, 'InnoHub' presentations, and Interactive Sessions with the audience were all part of the Summit's agenda. Furthermore, the Summit provided ample networking opportunities, with delegates able to schedule one-on-one meetings.

**IWA Leading Edge Conference:** The Seventeenth edition of the IWA Leading Edge Conference on Water and Wastewater Technologies Conference did not fail in its world-class reputation as the forum for leading innovators. Gathering more than 200 delegates in Reno, Nevada, the conference

successfully achieved its aim to share and debate pioneering science, technological innovation and leading practices. As the first 'in-person' IWA event since the pandemic, discussions at the conference were also able to highlight how the pandemic shone a light on the essential role played by the water and wastewater sector.

#### ***The Source* magazine**

*The Source* is IWA's quarterly magazine, delivered both in print and online. It is available to all IWA members as a benefit of membership.

The magazine's content reflects IWA's goal of inspiring a world in which water is wisely managed, offering features, viewpoints, and updates to help readers keep up to speed with the issues that shape the sector, and leading responses to these topics.

Recent topics covered in detail in 2022 included: growing use of wastewater based epidemiology as a means of informing public health measures; opportunities for utilities to pursue climate-positivity; the role of systems thinking as the basis for progress with the UN Sustainable Development Goals; the need and opportunities for better management of the world's groundwater resources; the role of traditional and Indigenous knowledge; and examples of integrated urban water management, especially in light of climate change.

#### **IWA Publishing**

In 2021, all IWA Publishing journals became Open Access, with new articles free to read by everyone. The results of this transformation began to be seen in 2022. The median Impact Factor of the journals increased by 39%. The number of citations of journal papers more than doubled, increasing by 114%. More importantly, citations to the journals came from a much wider range of countries around the world, with 66% coming from researchers in the Global South.

It is also worth mentioning that IWA Publishing journals are maturing. Water Research X attained its inaugural Impact Factor of 9.365, ranking it 4/100 in the Water Resources category. Blue-Green Systems, H2Open Journal, Ingeniería del Agua and Water Practice & Technology will receive their first Impact Factors for the 2022 publication year. Blue-Green Systems is projected to receive an Impact Factor of c4.5, ranking it in the top 12% of journals in the Water Resources category. This is an impressive achievement which recognises the excellent work of the journal's Editors, reviewers and authors over the past five years.

Work continues to increase the diversity and representativeness of IWA Publishing journal Editorial teams. Between 2017 and 2022, the number of Editors-in-Chief from Africa, Asia, Middle East, and Latin America more than doubled. Editorial Board membership from these regions grew by 42%. These engagement initiatives will carry on in future years, with one of the key objectives of IWA Publishing's new Strategic Plan being to ensure that the teams running the journals align closely with the authors who publish in them.

Journal Editorial teams have also focused on rapid publication and author satisfaction. The Net Promoter Score for 2022 – which measures how happy authors are with their journal publishing experience – increased to 77. That is higher than Apple, Sony, Hyundai, BMW and Louis Vuitton.

In addition, the books programme flourished in 2022. 81% of titles published were Open Access, helping drive dramatic growth in online readership of the books. There were 1.1 million book downloads in 2022. Notable books published during the year included A Strategic Digital Transformation for the Water Industry, Michael Abbott's Hydroinformatics, Resource Recovery from Water, Pathways to Water Sector Decarbonization, Carbon Capture and Utilization, the Scientific and Technical Report on Quantification and Modelling of Fugitive Greenhouse Gas Emissions from Urban Water Systems, and Integrated Wastewater Management for Health and Valorization.

# International Water Association

## Trustees' Report

### For the year ended 31 December 2022

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#### Young Water Professionals (YWP)

IWA's Young Water Professionals activity works to foster participation and opportunities for water professionals up to the age of 35. The YWP community was involved in more than 20 events in the water sector in 2022, both local and international. A key event was the high-level UN Water Conference in Tajikistan in June, at which a delegation of YWPs represented IWA. The Conference provided a platform to discuss how to engage youth in the water sector up to and during the UN Water Conference in New York in 2023.

Nine country Chapters were created in 2022 (Argentina, Colombia, Ecuador, India, Nepal, Pakistan, Singapore, Sri Lanka, USA). In total, there are 38 IWA-branded country Chapters, which reflects the global outreach of our association.

IWA hosted five online 'Get-togethers' for YWPs (IWA YWP Steering Committee Elections and About Us; Connecting YWPs in the Middle East region; YWPs Intergenerational Stories: Entrepreneurship in WASH; IWA-Grundfos 'Youth Action for SDG6'; Lessons learned from COP27 and the 2022 Groundwater Summit) and two Global Coordination Calls for IWA-branded YWP Chapters (Strengthening connections between YWP; Challenges and Solutions for IWA YWPs Chapters membership engagement).

#### IWA Awards

IWA's Awards programme honours outstanding achievements and thought leadership by individuals, companies, and organisations in the water sector. The programme is supported by the contributions of global and diverse judging panels and juries.

The main awards presented during 2022, at the World Water Congress & Exhibition, featured the IWA Global Water Award. This honours those who have made an extraordinary contribution to progress toward a future where water is properly managed via creative leadership and practice. The IWA Global Water Award was won by Ms. Nisha Mandani, Our Aim Foundation, USA/India. The IWA Gender Diversity and Water Award, which recognises individuals for their excellent professional contributions to the growth of gender diversity in the water industry, was won by Annabell Waititu, Bigfive Africa Ltd., Kenya. The IWA Young Leadership Award is granted to an extraordinary water professional under the age of 35 who has made significant achievements in his or her career. This was won by Dr Céline Vaneekhaute from Canada. The IWA Development Award for Research went to Professor Damir Brdjanovic, and the IWA Development Award for Practice went to the Africa SandDam Foundation.

Honorary Membership, given in recognition of a career devoted to progress in the water sector and to the Association, was awarded to Helena Alegre from the Laboratorio Nacional de Engenharia Civil/LNEC (Portugal), Joan Rose from Michigan State University (USA), Gérard Payen, Honorary President of AquaFed (France) and Former Adviser on Water to the UN Secretary General, and Diane d'Arras, former IWA Board Member and past IWA President.

IWA marked further notable contributions through the IWA Award for Outstanding Service, which was granted to Eveline Volcke, Professor at Ghent University (Belgium) as well as Founder and Head of the 'Biosystems Control (BioCo)' research group, and Jurg Keller, Distinguished Fellow of IWA and of the Australian Academy of Technological Sciences and Engineering (Australia).

Also in 2022, IWA's Project Innovation Awards recognised outstanding innovation and leadership in the water industry, with 18 winners across six categories. The overall Grand Innovation Award went to the Keppel Marina East Desalination Plant, Singapore, with the 2022 edition of the PIA being sponsored by the Saline Water Conversion Corporation.

#### 4. FINANCIAL REVIEW

2022 represented a solid financial outcome for the group, driven largely by the success of the World Water

Congress and Exhibition and the continued contribution of Gift Aid from IWA Publishing. Due to global market fluctuations, there was a loss on group investments for the year, but overall, the result for the year was a surplus of £1,442,961 (2021: £328,113). This is an encouraging result as IWA tends to rely on surpluses in its Congress year to smooth out lower income in alternate years. Additional details on the group's financial results for the year are provided under the section on 'key financial performance indicators' on page 5 above.

#### **Investment policy and performance**

Preservation of capital is the primary objective in guiding the risk profile of the Association's investment policy. After satisfying the primary objective, the secondary objective is to maximize the return on the investment in accordance with the ethical investment policy. The investment position has been considered from both a Euro and Sterling currency perspective.

The group's investments totaled £1,164,700 as of 31 December 2022 (2021: £1,337,045). The Trustees were disappointed with the investment performance of 2022 although they recognized that this was partly impacted by increased market volatility (in addition to poor stock selection). The trustees will continue to closely monitor future investment performance.

#### **Assessment of going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the Trustees have taken account of the reserves position as of 31 December 2022 (see below) and the financial forecasts and projections for a period not less than one year from the date of approval of this report and financial statements.

Our current reserves are robust, thanks to the better than anticipated outcomes from our biennial World Water Congress in 2022 (although some of these reserves will be utilized in 2023, which is a non-congress year). This, coupled with good financial management and discipline, means that our medium-term outlook is secure. We do not currently anticipate that the overall financial position of the group will be adversely affected, or its financial solvency threatened.

The Trustees believe there are no material uncertainties with respect to the group's financial position that may severely curtail its work and/or threaten its ability to operate as a going concern. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies accompanying the financial statements.

#### **Reserves policy**

IWA's reserves policy seeks to balance spending the maximum amount of its income to meet its charitable objectives, while maintaining an adequate level of reserves to ensure uninterrupted operation and provide time to adjust to changes in financial circumstances. Based on the prudent assessment of the financial impact of risk events on reserves, the trustees have estimated a target level of free reserves of £1.2M +/- £100k.

The group free reserves as of 31 December 2022 are at the level of £2,725,401 (compared with 2021: £1,882,431). This is above the intended target level; however, some of these reserves will be utilized in 2023 since it is a non-congress year.

As we transition our Journals to being Open Access through S2O, we anticipate a decrease in our publishing income. Consequently, maintaining adequate reserve levels becomes crucial to mitigate any

potential shortfall in Gift Aid, which is essential for advancing our charitable goals.

Business plans are set with the aim of maintaining reserves within the target range. The reserves may move outside of the target range because of factors such as operational issues, short-term investment requirements, and economic changes. If this were the case, management would adjust business activities over the medium term with the aim of restoring reserves to within the target range.

#### **Principal funding**

Principal funding sources for the charity are membership, conferences, Gift Aid Income from its wholly owned subsidiary IWA Publishing Limited, and grant and contract income from various organisations. The group does not work with any commercial or professional fundraisers and does not solicit donations from the public.

### **5. RISK MANAGEMENT**

The Trustees have assessed the major risks to which the group is exposed, those related to the operations and finances of the Association. They are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Board recognises the importance of identifying and managing the risks of the Association and its subsidiaries. A risk management framework, which includes a risk and control register, identifying and prioritising the Association's key risks, is maintained. The register includes a programme of control measures and actions to manage material risks. The risk register is reviewed and updated quarterly by the management. A risk report is presented to the Finance and Investment Committee at the following meeting to discuss the basis for any movements in the risk register, and any "emerging risks", and to confirm the summary which will be presented at the next board meeting. Once per year, the Board is informed on the status of the risk register and the related mitigation measures.

#### **Key internal risks for the Association include:**

- a) Reduction in Gift Aid from IWA Publishing leading to lower revenues to support IWA's business:
- b) Breaches in the security of the IT systems including hacking, unauthorised access, fraud, permanent damage to electronic data, and manipulation of key data.
- c) Business disruption caused by loss of key staff.

#### **Key external risks to the Association include:**

- a) S2O model is unsustainable and IWA Publishing must transition to a new Open Access business model for the S2O journals
- b) Inflation leading to higher operating costs especially utility bills
- c) Inflationary pressure and cost of living increases leading to higher operating costs, higher pay demands and employee demoralisation
- d) Reduced income from congresses and events due to lower attendance due to concerns around overseas travel.
- e) Declining income from membership fees (especially corporate members) due to the emergence of alternative networking opportunities.

#### **Financial risk management objectives and policies**

The management team reviews, on behalf of the Board, matters concerning accounting, financial reporting, and internal controls, including the risk register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and

# International Water Association

## Trustees' Report

### For the year ended 31 December 2022

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deals directly with the external auditor regarding the conduct of the audit.

#### **6. STRUCTURE, GOVERNANCE, AND MANAGEMENT**

##### **7. Constitution**

The Association is constituted under a Memorandum of Association dated 13 July 1998 and is a registered charity (number 1076690). The Articles of Association were most recently revised in September 2020 to authorise virtual general meetings. Liability of the members is limited by guarantee and the Association does not have share capital. Members of the Association guarantee to contribute an amount not exceeding £1 in the event of a deficiency of assets on winding up. The total number of such guarantees on 31 December 2022 was 14 (2020: 15)

##### **Method of appointment or election of Trustees**

The management of the Association is the responsibility of the Trustees who are elected and appointed under the terms of the Articles of Association. As noted earlier, the Trustees also constitute the Board of Directors for the purposes of the Companies Act.

An Annual General Meeting was held on 10 September 2022 at which there was an election of two Vice Presidents, and the appointment of other officeholders and a new Board of Directors for the period September 2022 to August 2024.

##### **Policies adopted for the induction and training of Trustees**

The Board of Directors has adopted a programme of trustee training which covers existing and new Board members. New Trustees attend an induction programme and a formal training session covering governance and trustees' legal responsibilities. New Trustees are provided with an induction pack that covers their general duties as well as a briefing on IWA-specific matters such as Strategic and Business Plans, financial reports, governance documents, and other relevant reports. All Board members attended a training session on the Duties and Responsibilities of Directors and Trustees in February 2023.

#### **Organisational structure and decision-making**

The Board, as Trustees and Directors, are responsible for the management of the affairs of the Association. It sets the strategic direction of the Association, appoints the Executive Director (also a Trustee), and provides financial and programme oversight to the Association. The Board generally meets at least four times each year. The amelioration of the COVID-19 pandemic allowed in-person meetings of the Board in 2022 with face-to-face meetings and two shorter (2-hour-long), virtual meetings to discharge its governance and strategic responsibilities.

The 2022 AGM and Governing Assembly was called in accordance with the IWA's articles of association and was held in Copenhagen, Denmark on 10 September 2022, at which the audited accounts of the Company for the year ended 2021 and the Directors' Report and the Auditors' Report were duly received and two Vice Presidents were elected, and other officeholders and a new Board of Directors were appointed for a term of two years commencing at the 2022 World Water Congress and concluding at the conclusion of the 2024 World Water Congress.

#### **The Board of Directors**

The names of the individuals serving on the Board, at any time during the year of report and up to the date of approval of this report, are as follows:

Thomas Mollenkopf (President, Chair)  
Kalanithy Vairavamoorthy (Executive Director)  
Marie-Pierre Whaley (Senior Vice President)  
Daniel A Nolasco (Vice President, appointed on 9 September 2022)  
Teodor Popa (Treasurer)  
Enrique Cabrera Rochera (retired on 9 September 2022)  
Diane d'Arras (retired on 9 September 2022)  
Asma Elkasmi (retired on 9 September 2022)  
Hamanth Kasan (retired on 9 September 2022)  
Rose Kaggwa  
Walter Kling  
Yoshihiko Matsui (retired on 9 September 2022)  
Sankaralingam Mohan (appointed on 9 September 2022)  
María Molinos-Senante  
Elisabeta Poci (appointed on 9 September 2022)  
Harsha Ratnaweera (appointed on 9 September 2022)  
Virgillo Rivera (retired on 9 September 2022)  
Satoshi Takizawa (appointed on 9 September 2022)  
Peter Vanrolleghem  
Xiaochang Wang

## **International Water Association**

### **Trustees' Report**

**For the year ended 31 December 2022**

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#### **The Board of Directors (continued)**

The Board comprises elected officers and other officeholders. Under the Articles of Association, all Board members (except the Executive Director) serve two-year terms. The elected officers (President and two Vice Presidents) generally serve for a single term of two years but may be re-elected to serve a second term. The other officeholders will usually serve two terms on the Board, aside from the Immediate Past President, who is limited to a single term.

The Board nominations process is overseen by the Governance and Nominations Committee and, to the extent possible, a practice of rolling retirements is adopted to maintain continuity on the Board.

By accepting to serve on the Association's Board, Trustees commit to conduct themselves in accordance with the highest ethical standards in carrying out their responsibilities. The Board has therefore adopted an internal Code of Conduct, which provides ethical standards and criteria. All Board members are required to adhere to the Code in the performance of their responsibilities to the Board.

#### **Governing Assembly**

The Governing Assembly is comprised of the representatives of the Governing Members around the world, each of whom is entitled to appoint three representatives to the assembly.

The Governing Assembly meets at least annually and is responsible for electing the Officers of the Association and appointing other Office holders and approving constitutional changes. As mentioned above, the 2022 AGM and Governing Assembly were held in Copenhagen, Denmark on 10 September 2022, in accordance with the articles of association.

The Governing Assembly ensures that the interests of members – including Individual, Corporate and Governing Members – are represented and it provides oversight and input into the Association's overall direction. The Governing Members of IWA represent the core mechanism for national and regional interaction with members across a range of issues.

#### **Key Committees and Strategic Council**

The Association has established a number of key Committees and a Strategic Council, each of which plays a specific role in the Association's governance or activities. Further details on the Strategic Council and the various Board Committees are provided below.

#### **Finance and Investment Committee**

Teodor Popa (Treasurer) chairs the Finance and Investment Committee. Other members of the committee are Marie-Pierre Whaley (past Treasurer), Richard Hoults (resigned November 2022) and Matt Woodcock (appointed November 2022). Mr Thomas Mollenkopf (President) and Dr Kalanithy Vairavamoorthy (Executive Director) are ex officio members. It reviews, on behalf of the Board, matters concerning accounting, financial reporting and internal controls, including the Risk Register. It also reviews the management accounts and the annual report and financial statements before they are submitted to the Board of Trustees and deals directly with the external auditor regarding the conduct of the audit. It also, on behalf of the Board, sets the Investment Manager's mandate and monitors performance on a quarterly basis.

#### **The Governance and Nomination Committee**

Marie-Pierre Whaley (Senior Vice President) chairs the Governance and Nomination Committee. Other members of the committee are Rose Kaggwa, Walter Kling, Elisabeta Poci, Satoshi Takizawa and Yang Villa. Thomas Mollenkopf (President) and Kalanithy Vairavamoorthy (Executive Director) are ex officio members. The Committee advises the Board on corporate governance matters for the Association, including its subsidiaries, committees, and other Association entities; assists the President or the Board to ensure that appropriate individuals are selected for various Association entities; and defines and revises the processes for choosing the nominees and winners of the different awards of the Association.

#### **The Membership and Engagement Committee**

Daniel A Nolasco (Vice President) chairs the Membership and Engagement Committee. Other members of the committee are Ed McCormick, Sankaralingam Mohan, María Molinos-Senante, Harsha Ratnaweera and Xiaochang Wang. Thomas Mollenkopf (President) and Kalanithy Vairavamoorthy (Executive Director) are ex officio members. The Committee provides necessary policy oversight concerning the Association members, their expectations, and their participation follows the effectiveness of the recruitment process, discusses new schemes of membership, discusses the communications policy towards different segments of members, and the schemes of honours and awards.

#### **Strategic Council**

The Strategic Council plays two key roles within the Association. It provides strategic input to the Association's Board of Trustees and Governing Assembly. In addition, it provides guidance and assistance to the Association in the development of new activities and in the coordination of key existing activities.

#### **Key management personnel**

The IWA Management Team, led by the Executive Director Kalanithy Vairavamoorthy, comprises several Directors: Daniela Bemfica (Strategic Programmes & Engagement Director); Keith Hayward (Marketing & Communications Director); Keith Robertson (Operations Director); Kizito Masinde (Events and Awards Director); Satkunam Murugathas (Finance Director & Company Secretary); Tao Li (Strategy & Development Director) and Varghese Babu (IT & Digital Transformation Director).

The Trustees consider that they, together with the IWA Management Team, comprise the Association's key management personnel, in charge of directing and controlling the charity.

Except for the Executive Director, none of the Trustees are remunerated for their services to the charity. The Executive Director is remunerated (as permitted under clause 4 of the charity's memorandum of association) for his role as Executive Director. The Executive Director's remuneration is set by the non-executive members of the Board based on benchmarking of similar international roles in the charity or NGO sector and having regard to prevailing market rates.

The remuneration of the members of the IWA Management Team is determined in line with those of other personnel within the group. Pay is determined by the Executive Director based on industry benchmarking of similar international roles in the Charity or NGO sector.

# International Water Association

## Trustees' Report

For the year ended 31 December 2022

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### IWA Publishing Limited

The Association has a wholly owned subsidiary, IWA Publishing Limited (IWAP), the principal business of which is the provision of publishing and information products and services to the international water supply and wastewater market. This includes the production and distribution of various publications of the Association. Profits are transferred to the Association by way of Gift Aid. The financial results and year-end position of the subsidiary have been incorporated in the consolidated financial statements accompanying this report.

### Other related companies

#### In China:

- Nanjing IWA Science & Technology Co. Ltd.

#### In India:

- IWAT Science and Technology Private Limited

IWA also owns the following companies in full, which have remained dormant since incorporation:

- IWA – Conferences Limited
- IWA Solutions International Limited
- IWA Global Enterprises Limited (previously named Aquarating Limited)

IWA also created NGOs in Kenya - called IWA Africa - and in India - called IWAI Water Foundation. Both have remained dormant since their creation.

## 8. FUTURE PLANNING

IWA's 2019-2024 Strategic Plan has been in operation since its adoption at the Governing Assembly at the 2018 IWA World Water Congress & Exhibition in Tokyo. This plan remains effective as the strategic foundation for the day-to-day activities of the organisation. We are actively progressing with further implementation of the plan, by working with our members, strengthening our Association's membership value, providing insights into trends for the sector and beyond, being a platform for members to exchange knowledge and accelerate the diffusion of innovation, and from collaborating to address the SDG challenges.

Importantly, the IWA Strategic Plan refers to diversity. This is backed by a strong Board-level commitment to champion diversity throughout the organisation. Actions to progress diversity include working across the Association's many structures, rotating roles to extend this diversity, and monitoring our progress. For 2023, IWA anticipates being able to escalate its plans of achieving more comprehensive progress on diversity, especially in terms of supporting and securing more equal participation by developing countries as well as individuals and organisations from developing countries, with the support of funding received from the Bill & Melinda Gates Foundation.

An expedited and all-inclusive approach to expanding safe service coverage is necessary. The Inclusive Urban Sanitation initiative will create a framework with broad practical application to define global goals and the core principles of a public service approach to outcomes that can advance inclusive urban sanitation, particularly in low- and middle-income countries.

We will also continue to work to make our published material more easily accessible online and available in different languages, to enhance our contribution to resolving water challenges around the world. This will be done by building on the progress with Open Access achieved during 2021 and 2022.

Also, in the first days of 2023, IWA officially launched its new digital membership platform, *IWA Connect Plus*, for which most of the work has been underway throughout 2021 and 2022. This platform improves on core needs, such as membership administration, and provides the basis for enhanced and expanded functionality in terms of information sharing and networking, strengthening IWA's membership offer

#### Five-year goals

The Strategic Plan is based on the following five commitments for the IWA to achieve over the coming five years:

1. **An engaged and balanced membership** - The IWA will have an engaged membership that is globally representative of the multiple segments, actors, and practice areas of the water sector.
2. **A source for leading-edge water knowledge** - The IWA will have strengthened our position as an authoritative source and a global reference point for water knowledge, addressing and informing on emerging and potentially disruptive trends within the sector and the wider world.
3. **A space for professionals to exchange water knowledge** - The IWA will have provided a broad range of professional content and programming that is relevant and widely valued by the water sector worldwide.
4. **A bridge between research and practice** - The IWA will play a pivotal role in bridging the chasm between research and practice to accelerate the development and diffusion of innovation in the global water sector.
5. **Support to the implementation of SDGs** - The IWA will support and promote the Sustainable Development Goals and strengthen the sector through professional and capacity development so that people and countries can pursue their ambitions in relation to water-related SDGs.

#### 8. TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also Directors of the International Water Association for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of income and expenditure of the 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 Accounting and Reporting by charities;
- make a Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, and regulations made thereunder. They are also responsible for safeguarding the assets of the charity 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 corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# International Water Association

## Trustees' Report

**For the year ended 31 December 2022**

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### **Disclosure of information to auditor**

In so far as the Trustees are aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:

Mr. Thomas Mollenkopf  
President and Chairman

Approved on: 9th August 2023

## Independent auditor's report

To the members of

### International Water Association

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Independent auditor's report to the members of International Water Association

## Opinion

We have audited the financial statements of International Water Association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

## Basis for opinion

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

## Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on International Water

## **Independent auditor's report**

### **To the members of**

### **International Water Association**

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Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **Other Information**

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report has been prepared in accordance with applicable legal requirements

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

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

## **Independent auditor's report**

### **To the members of**

#### **International Water Association**

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- Adequate 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
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

## **Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the group's and the 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 or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

### **Capability of the audit in detecting irregularities**

## Independent auditor's report

To the members of

### International Water Association

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In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditor's report**

**To the members of**

**International Water Association**

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### **Use of our report**

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)

16 August 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

International Water Association

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

	Note	2022				2021			
		Continuing Unrestricted £	Discontinued Unrestricted £	Restricted £	Total £	Continuing Unrestricted £	Discontinued Unrestricted £	Restricted £	Total £
<b>Income from:</b>									
Charitable activities									
Membership subscriptions		680,488	-	-	680,488	733,927	-	-	733,927
Income from projects and grants		-	-	1,562,463	1,562,463	56,980	-	118,030	175,010
Income from conferences		4,039,999	-	-	4,039,999	138,069	-	-	138,069
Other trading activities									
Income from publications		4,006,670	-	-	4,006,670	4,104,502	-	-	4,104,502
Income from Nanjing operation		-	42,053	-	42,053	-	837,191	-	837,191
Other sales income		38,518	-	-	38,518	68,393	-	-	68,393
Investments		26,371	-	-	26,371	24,310	-	-	24,310
Other		145,144	-	-	145,144	-	-	-	-
<b>Total income</b>		<b>8,937,191</b>	<b>42,053</b>	<b>1,562,463</b>	<b>10,541,707</b>	<b>5,126,181</b>	<b>837,191</b>	<b>118,030</b>	<b>6,081,402</b>
<b>Expenditure on:</b>									
Raising funds									
Investment management costs	2	10,889	-	-	10,889	11,074	-	-	11,074
Publications costs	2	2,004,202	-	-	2,004,202	1,969,540	-	-	1,969,540
Nanjing operations costs	2	-	497,760	-	497,760	-	599,346	-	599,346
Charitable activities									
Engaged & collaborative membership	2	1,894,036	-	-	1,894,036	1,598,509	-	-	1,598,509
Source of leading-edge water knowledge	2	458,398	-	-	458,398	400,691	-	-	400,691
Platform for water knowledge exchange	2	3,189,754	-	-	3,189,754	385,995	-	-	385,995
Bridging science to practice	2	595,313	-	260,568	855,881	706,295	-	175,680	881,975
<b>Total expenditure</b>		<b>8,152,591</b>	<b>497,760</b>	<b>260,568</b>	<b>8,910,919</b>	<b>5,072,104</b>	<b>599,346</b>	<b>175,680</b>	<b>5,847,130</b>
<b>Net income / (expenditure) before taxation</b>		<b>784,600</b>	<b>(455,707)</b>	<b>1,301,895</b>	<b>1,630,788</b>	<b>54,077</b>	<b>237,845</b>	<b>(57,650)</b>	<b>234,272</b>
Taxation on Nanjing operation		-	-	-	-	-	(8,415)	-	(8,415)
<b>Net income / (expenditure) after taxation, before net gains on investments</b>		<b>784,600</b>	<b>(455,707)</b>	<b>1,301,895</b>	<b>1,630,788</b>	<b>54,077</b>	<b>229,430</b>	<b>(57,650)</b>	<b>225,857</b>
Net gains on investments		(187,827)	-	-	(187,827)	102,256	-	-	102,256
<b>Net income / (expenditure) for the year</b>	4	<b>596,773</b>	<b>(455,707)</b>	<b>1,301,895</b>	<b>1,442,961</b>	<b>156,333</b>	<b>229,430</b>	<b>(57,650)</b>	<b>328,113</b>
Transfers between funds		53,035	-	(53,035)	-	(23,344)	-	23,344	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>649,808</b>	<b>(455,707)</b>	<b>1,248,860</b>	<b>1,442,961</b>	<b>132,989</b>	<b>229,430</b>	<b>(34,306)</b>	<b>328,113</b>
Actuarial losses on defined benefit pension schemes		-	-	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>649,808</b>	<b>(455,707)</b>	<b>1,248,860</b>	<b>1,442,961</b>	<b>132,989</b>	<b>229,430</b>	<b>(34,306)</b>	<b>328,113</b>
<b>Reconciliation of funds:</b>									
Total funds brought forward		2,432,378	454,849	44,963	2,932,190	2,299,389	225,419	79,269	2,604,077
<b>Total funds carried forward</b>		<b>3,082,186</b>	<b>(858)</b>	<b>1,293,823</b>	<b>4,375,151</b>	<b>2,432,378</b>	<b>454,849</b>	<b>44,963</b>	<b>2,932,190</b>

Discontinued activities relate to Nanjing operations. All other activities are continuing. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21a to the financial statements.

## Balance sheets

Company no. 03597005

As at 31 December 2022

	Note	The group 2022 £	2021 £	The charity 2022 £	2021 £
<b>Fixed assets:</b>					
Intangible assets	9	44,190	106,700	-	-
Tangible assets	10	312,595	443,247	312,595	396,429
Investments	11	1,164,700	1,337,045	1,314,703	1,487,048
		<b>1,521,485</b>	1,886,992	<b>1,627,298</b>	1,883,477
<b>Current assets:</b>					
Stock	14	52,953	52,953	-	-
Debtors	15	2,289,204	1,733,713	1,669,510	1,565,278
Cash at bank and in hand		4,354,381	2,940,672	3,336,724	2,076,380
		<b>6,696,538</b>	4,727,338	<b>5,006,234</b>	3,641,658
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	16	(3,722,872)	(3,562,140)	(2,137,523)	(2,927,794)
<b>Net current assets</b>		<b>2,973,666</b>	1,165,198	<b>2,868,711</b>	713,864
<b>Total assets less current liabilities</b>		<b>4,495,151</b>	3,052,190	<b>4,496,009</b>	2,597,341
Creditors: amounts falling due after one year	18	(120,000)	(120,000)	(120,000)	(120,000)
<b>Net assets excluding pension asset / (liability)</b>		<b>4,375,151</b>	2,932,190	<b>4,376,009</b>	2,477,341
Defined benefit pension scheme asset	19	-	-	-	-
<b>Total net assets</b>		<b>4,375,151</b>	2,932,190	<b>4,376,009</b>	2,477,341
<b>Funds:</b>					
Restricted income funds	21a	1,293,823	44,963	1,293,823	44,963
Unrestricted income funds:					
Designated funds		355,927	1,004,796	356,785	549,947
Revaluation reserve		139,177	327,004	139,177	327,004
General funds		2,586,224	1,555,427	2,586,224	1,555,427
Non-charitable subsidiary funds		-	-	-	-
Pension reserve		-	-	-	-
Total unrestricted funds		<b>3,081,328</b>	2,887,227	<b>3,082,186</b>	2,432,378
<b>Total funds</b>		<b>4,375,151</b>	2,932,190	<b>4,376,009</b>	2,477,341

Approved by the trustees on 9th August 2023 and signed on their behalf by

Thomas Mollenkopf  
President and Chairman

## Consolidated statement of cash flows

For the year ended 31 December 2022

	Note	2022	2021
		£	£
<b>Cash flows from operating activities</b>			
Net income for the reporting period (as per the statement of financial activities)		1,442,961	328,117
Depreciation charges		118,262	130,624
Amortisation charges		69,646	67,862
Gains on investments		187,827	(102,256)
Dividends, interest and rent from investments		(26,371)	(24,310)
Finance and administrative costs in respect of defined benefit pension scheme		-	-
Foreign exchange loss		(144,747)	264
(Increase)/decrease in stocks		-	(8,252)
(Increase)/decrease in debtors		(555,491)	559,796
Increase in creditors		160,732	609,634
<b>Net cash provided by operating activities</b>		<b>1,252,818</b>	<b>1,561,479</b>
<b>Cash flows from investing activities:</b>			
Investment income		26,371	24,310
Purchase of tangible and intangible fixed assets		(17,516)	(13,539)
Disposal of tangible and intangible fixed assets		167,517	-
Proceeds from sale of investments		218,316	233,110
Purchase of investments		(227,611)	(239,580)
Change in cash held by investment manager		(6,187)	(7,031)
<b>Net cash provided used in investing activities</b>		<b>160,890</b>	<b>(2,730)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>1,413,709</b>	<b>1,558,749</b>
Cash and cash equivalents at the beginning of the year		2,940,672	1,381,923
Change in cash and cash equivalents due to exchange rate movements		-	-
<b>Cash and cash equivalents at the end of the year</b>		<b>4,354,381</b>	<b>2,940,672</b>

**1 Accounting policies**

**a) Company status**

The Association is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

**b) Basis of preparation and consolidation**

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

These financial statements consolidate the results of the Association and its wholly-owned subsidiaries IWA Publishing Limited and Nanjing IWA Science & Technology Co. Ltd. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the Association itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

**c) Public benefit entity**

The charity meets the definition of a public benefit entity under FRS 102.

**d) Assessment of going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. In forming their assessment, the Trustees have also given consideration to financial forecasts and business plans, including group entities. They have also given due consideration to the impact of the COVID-19 pandemic on the group's operations, with a focus on its effect on the Association's membership, customers, suppliers, employees and investments. The Trustees acknowledge the disruption caused by the pandemic to the group's day-to-day operations and confirm that they do not consider this to be cause for material uncertainty in respect of the group's ability to continue as a going concern. The group has successfully employed contingency plans, and trustees have considered that the charity has sufficient cash resources to continue for the foreseeable future, despite the current crisis.

The Trustees have therefore concluded that the group has adequate resources to continue in operational existence for the foreseeable future and to meet liabilities as they fall due for a period of at least 12 months following the Trustees' approval of these financial statements. Further commentary on the Trustees' assessment of going concern may be found within the Trustees' report accompanying the financial statements.

**1 Accounting policies (continued)**

**e) Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- ~ The estimate of the group's liability in respect of a defined benefit pension scheme previously offered to IWA staff, the valuation of which has been estimated by an independent actuary taking account of various assumptions including the long term rates of return on scheme assets, the long-term anticipated rate of inflation, the life expectancy of scheme participants, and the discount rate applied;
- ~ The estimates of the useful economic lives of tangible and intangible fixed assets used to determine the annual depreciation charge;
- ~ The estimated future cost of reinstating short term leasehold property to its original condition in line with the terms of the lease agreement
- ~ The assumptions adopted by the trustees and management in determining the value of any designations required from the charity's general unrestricted funds;
- ~ The basis on which support costs have been allocated across expenditure headings; and
- ~ Judgements and assumptions made in forecasting future income and expenditure for the purposes of assessing whether the going concern basis of preparing the financial statements is appropriate.

**f) Income**

All income is recognised once the Association or group has entitlement to the income, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Association or group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and the economic benefit can be measured reliably.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the gift to the Association or group which is the amount the Association or group would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

**g) Fund accounting**

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

Designated funds comprise of 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 the notes to the financial statements.

The investments revaluation reserve is an unrestricted fund and reflects the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets.

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

Investment income, gains and losses are allocated to the appropriate fund.

**h) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The estimated costs of reinstating short term leasehold property is also capitalised at the point of the modification works being undertaken.

**1 Accounting policies (continued)**

**i) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

~ Engaged & collaborative membership	58%
~ Source of leading-edge water knowledge	12%
~ Platform for water knowledge exchange	10%
~ Bridging science to practice	19%
~ Support costs	0%
~ Governance costs	1%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

~ Engaged & collaborative membership	25%
~ Source of leading-edge water knowledge	25%
~ Platform for water knowledge exchange	25%
~ Bridging science to practice	25%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

**j) Tangible fixed assets**

Assets are capitalised where the purchase price exceeds £500.

Tangible fixed assets are stated at cost less depreciation. The estimated cost of reinstating short term leasehold properties is also capitalised at the point of the modification works being undertaken.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value over their expected useful lives on the following basis:

~ Leasehold improvements	10 years straight line
~ Fixtures and fittings	5-6 years straight line
~ Office equipment	6 years straight line
~ Computer equipment	3 years straight line

**k) Intangible fixed assets**

Assets are capitalised where the purchase price exceeds £500.

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

~ Computer equipment	5 years straight line
----------------------	-----------------------

**l) Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Investments in subsidiary companies which are unlisted are carried on the Association's balance sheet at cost less impairment.

**1 Accounting policies (continued)**

**m) Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation.

**n) Taxation**

The Association is an exempt charity within the meaning of schedule 3 of the Charities Act 2021 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. The group's liability for current tax in this regard is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period within the relevant jurisdiction. The group incurred tax charges in Nanjing, China.

**o) Debtors**

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

**p) Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**q) Creditors and provisions**

Creditors and provisions are recognised where the Association has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Long term liabilities are discounted where the effect of discounting would be material to the accounts.

**r) Financial instruments**

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

**s) Foreign currencies**

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Exchange gains and losses are recognised in the Statement of Financial Activities.

**t) Pensions**

Group employees are able to participate in defined contribution schemes administered in the UK, Netherlands and China. The assets of the schemes are held separately from those of the group. In addition, IWA Publishing Ltd makes contributions into the personal pension plans for some of its employees. The costs of providing pensions are charged to the SOFA as incurred, i.e. in line with the contribution payable by the group in the period.

The Association also previously offered employees access to a defined benefit pension scheme administered in the UK. The defined benefit pension scheme is now closed to future new entrants and there are no remaining active members in the scheme. For the defined benefits scheme, the Statement of Financial Activities (SOFA) is charged with the cost of providing pension benefits earned by former employees in the period. The expected return on pension scheme assets less the interest on the pension scheme liabilities is included as part of this charge. Actuarial gains and losses arising in the period for the difference between actual and expected returns in the pension scheme assets, experience gains and losses on pension scheme liabilities and the effect of changes in demographics and financial assumptions, are included as after recognised gains and losses in the Statement of Financial Activities. The accumulated pension scheme deficit is recognised in full and included in the balance sheet. However, in the event that the scheme is in net surplus position, the asset is not recognised in the balance sheet as it is not expected that the surplus will be realisable by the Association until after buying out pension benefits to the pensioners.

**u) Conferences**

The World Water Congress is held bi-annually. Expenditure incurred in preparing for the Congress is also carried forward and recognised in the year of the Congress itself, except for the cost of staff time which is recognised in the financial year in which the services were rendered by the employees.

**1 Accounting policies (continued)**

**v) Specialist group funds**

Specialist groups run independently from the Association and their income, expenditure, assets and liabilities are not included in the Association's financial statements.

Where specialist groups use the Association's services, these are charged to the group and shown as income for the Association. In many cases, this relates to a share of income from events organised by the specialist group in agreement with the Association. This income is accounted for once confirmation is received of the amount due and it is reasonably certain that it will be received.

The Association holds funds on behalf of the specialist groups. The balances due to the groups are included in creditors.

## 2a Analysis of expenditure (current year)

	Raising funds			Charitable activities						2022 Total £	2021	Total £
	Investment Management £	Publications £	Nanjing Operation - discontinued £	Engaged & collaborative membership £	Source of leading-edge water knowledge £	Platform for water knowledge exchange £	Bridging science to practice £	Governance costs £	Support costs £			
Staff costs (Note 5)	-	874,043	392,276	1,120,388	233,189	219,100	520,376	20,000	60,000	<b>3,439,372</b>	3,061,912	
Other costs	10,889	903,394	39,469	419,956	155,747	2,905,039	187,655	3,250	-	<b>4,625,399</b>	1,765,320	
Investment management costs	-	-	-	-	-	-	-	-	-	-	11,074	
Support costs within subsidiaries	-	-	-	-	-	-	-	-	98,015	<b>98,015</b>	293,965	
Rents, rates and services	-	81,786	9,526	-	-	-	-	-	200,727	<b>292,039</b>	293,639	
Legal and professional fees	-	5,325	7,094	-	-	-	-	-	39,015	<b>51,434</b>	49,616	
IT costs	-	20,382	328	-	-	-	-	-	50,749	<b>71,459</b>	91,601	
Insurance	-	17,410	1,011	-	-	-	-	-	42,545	<b>60,966</b>	36,203	
Depreciation and impairment	-	92,862	47,874	-	-	-	-	-	59,258	<b>199,994</b>	219,514	
Audit	-	9,000	184	-	-	-	-	-	9,000	<b>18,184</b>	24,282	
AGM and Trustee meetings	-	-	-	-	-	-	-	-	54,059	<b>54,059</b>	-	
	<b>10,889</b>	<b>2,004,202</b>	<b>497,762</b>	<b>1,540,344</b>	<b>388,936</b>	<b>3,124,139</b>	<b>708,031</b>	<b>23,250</b>	<b>613,368</b>	<b>8,910,921</b>	5,847,126	
Support costs	-	-	-	347,879	63,649	59,803	142,037	-	(613,368)	-	-	
Governance costs	-	-	-	5,813	5,813	5,813	5,813	(23,250)	-	-	-	
<b>Total expenditure 2022</b>	<b>10,889</b>	<b>2,004,202</b>	<b>497,762</b>	<b>1,894,036</b>	<b>458,398</b>	<b>3,189,754</b>	<b>855,881</b>	<b>-</b>	<b>-</b>	<b>8,910,921</b>		
Total expenditure 2021	11,074	1,969,540	599,342	1,598,509	400,691	385,995	881,975	-	1,969,540		5,847,126	

## 2a Analysis of expenditure (prior year)

	Raising funds			Charitable activities						2021 Total £	2020	Total £
	Investment Management £	Publications £	Nanjing Operation- discontinued £	Engaged & collaborative membership £	Source of leading-edge water knowledge £	Platform for water knowledge exchange £	Bridging science to practice £	Governance costs £	Support costs £			
Staff costs (Note 5)	-	836,557	443,665	1,030,422	194,193	160,145	316,931	20,000	59,999	<b>3,061,912</b>	3,230,501	
Other costs	-	807,643	109,415	158,030	115,531	149,366	421,869	3,466	-	<b>1,765,320</b>	1,568,720	
Investment management costs	11,074	-	-	-	-	-	-	-	-	<b>11,074</b>	10,031	
Support costs within subsidiaries	-	64,600	-	-	-	-	-	-	229,365	<b>293,965</b>	450,266	
Rents, rates and services	-	91,279	15,165	-	-	-	-	-	187,195	<b>293,639</b>	183,173	
Legal and professional fees	-	14,563	5,188	-	-	-	-	-	29,865	<b>49,616</b>	65,864	
IT costs	-	39,182	1,232	-	-	-	-	-	51,187	<b>91,601</b>	63,438	
Insurance	-	12,975	1,237	-	-	-	-	-	21,991	<b>36,203</b>	30,721	
Depreciation and impairment	-	93,741	20,158	-	-	-	-	-	105,615	<b>219,514</b>	80,021	
Audit	-	9,000	3,282	-	-	-	-	-	12,000	<b>24,282</b>	18,750	
AGM and Trustee meetings	-	-	-	-	-	-	-	-	-	-	30,918	
	11,074	1,969,540	599,342	1,188,452	309,724	309,511	738,800	23,466	697,217	<b>5,847,126</b>	5,732,403	
Support costs	-	-	-	401,690	82,601	68,118	134,808	10,000	(697,217)	-	-	
Governance costs	-	-	-	8,367	8,366	8,366	8,367	(33,466)	-	-	-	
<b>Total expenditure 2021</b>	<b>11,074</b>	<b>1,969,540</b>	<b>599,342</b>	<b>1,598,509</b>	<b>400,691</b>	<b>385,995</b>	<b>881,975</b>	-	1969540 <b>(1,969,540)</b>	<b>5,847,126</b>		
Total expenditure 2020	10,031	2,073,353	452,228	1,829,627	383,110	345,452	638,602	-	-		5,732,403	

International Water Association

Notes to the financial statements

For the year ended 31 December 2022

**3 Other activities**  
Explain re Nanjing

**4 Net income / (expenditure) after taxation, before net gains on investments**

This is stated after charging / (crediting):

	<b>2022</b>	2021
	£	£
Depreciation of tangible fixed assets	<b>118,262</b>	130,624
Amortisation of intangible fixed assets	<b>69,646</b>	67,862
Loss or profit on disposal of fixed assets		
Auditor's remuneration:		
Statutory audit	<b>18,500</b>	16,900
Other services	<b>1,500</b>	1,500
Foreign exchange gains or losses	-	-
	<b>199,372</b>	217,786

**5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff and consultants costs were as follows:

	<b>2022</b>	2021
	£	£
Salaries and wages	2,665,076	2,323,346
Redundancy and termination costs	71,608	-
Social security costs	283,168	276,401
Other pension costs	294,043	315,149
Consultants charges	125,477	147,016
	<b>3,439,372</b>	3,061,912

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	<b>2022</b>	2021
	No.	No.
£60,001 - £70,000	<b>2</b>	2
£70,001 - £80,000	<b>1</b>	4
£80,001 - £90,000	<b>4</b>	1
£90,001 - £100,000	<b>1</b>	1
£100,001 - £110,000	-	1
£110,001 - £120,000	-	-
£130,001 - £140,000	<b>1</b>	-
£140,001 - £150,000	<b>2</b>	2
£250,001 - £260,000	<b>1</b>	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £987,912 (2021: £979,197).

The total contributions to the defined contribution pension schemes during the year was £145,712 (2021: £131,599). At the year end £Nil (2021: £nil) was outstanding.

No fees or remuneration are paid to any members or officers of the Association with the exception of the Executive Director who received £270,900 during the year (2021: £258,700). Clause 4 of the Memorandum of the Association provides specific power to make such payment to the Executive Director. The Association incurred a total of £57,425 (2021: £682) in respect of international travel, subsistence and venue costs for 13 (2021: 1) Board members.

During the year the Association maintained an Indemnity Insurance cover for its officers for up to £10 million (2021: £10 million) at a cost of £6,750 per annum (2021: £5,500).

**6 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was 51 (2021: 52).

The average number of employees during the year was as follows (including casual and part-time staff):

	<b>2022</b>	2021
	<b>No.</b>	No.
Charitable activities	<b>33</b>	34
Publishing activities	<b>14</b>	14
Management and administration	<b>4</b>	4
	<b>51</b>	52

**7 Related party transactions**

During the year Trustees received reimbursement of expenses as set out in note 4.

The following transactions took place during the year with the Trustees Enrique Cabrera and Peter Vanrolleghem. Book royalties of £0 (2021: £25) was payable to Enrique Cabrera and book royalties of £0 (2021: £25) was payable to Peter Vanrolleghem. The total amount of 0 (2021: £50) was outstanding as at 31 December 2022.

The payment of royalties are made at a standard rate with no preferential treatment due to their involvement with the Association.

Trustees are required to be members of the Association, for which they pay the Association a membership fee. Furthermore, they may from time to time purchase goods or services from the Association (e.g. books, journals, conference attendances). The payment of fees or purchase of good or services are on normal commercial terms with no preferential treatment by virtue of being a trustee.

Other than the above, there were no related party transactions to report in the period of report (2021: none).

**8 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary IWA Publishing Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	<b>2022</b>	2021
	<b>£</b>	£
UK corporation tax at 19%	-	-

**9 Intangible fixed assets**

<b>The group</b>	Online platform	<b>Total</b>
<b>Cost</b>	£	£
At the start of the year	339,311	<b>339,311</b>
Additions in year	7,137	<b>7,137</b>
Disposals in year	-	-
	<hr/>	<hr/>
At the end of the year	346,448	<b>346,448</b>
	<hr/>	<hr/>
<b>Amortisation</b>		
At the start of the year	232,612	<b>232,612</b>
Charge for the year	69,646	<b>69,646</b>
Eliminated on disposal	-	-
	<hr/>	<hr/>
At the end of the year	302,258	<b>302,258</b>
	<hr/>	<hr/>
<b>Net book value</b>		
<b>At the end of the year</b>	44,190	<b>44,190</b>
	<hr/> <hr/>	<hr/> <hr/>
At the start of the year	106,699	106,699
	<hr/> <hr/>	<hr/> <hr/>

All of the above assets are used for charitable purposes.

**10 Tangible fixed assets****The group**

	Leasehold improvement £	Fixtures and fittings £	Office equipment £	Computers £	Total £
<b>Cost</b>					
At the start of the year	120,000	521,000	11,842	113,326	<b>766,168</b>
Additions in year	-	2,684	1,832	5,863	<b>10,379</b>
Disposals in year	-	(114,242)	-	(10,582)	<b>(124,824)</b>
At the end of the year	120,000	409,442	13,674	108,607	<b>651,723</b>
<b>Depreciation</b>					
At the start of the year	24,000	180,927	3,947	93,885	<b>302,759</b>
Charge for the year	12,000	87,101	2,279	16,882	<b>118,262</b>
Eliminated on disposal	-	(71,311)	-	(10,582)	<b>(81,893)</b>
At the end of the year	36,000	196,717	6,226	100,185	<b>339,128</b>
<b>Net book value</b>					
<b>At the end of the year</b>	84,000	212,725	7,448	8,422	<b>312,595</b>
At the start of the year	96,000	340,073	7,895	19,441	463,409

**The charity**

	Leasehold improvement £	Fixtures and fittings £	Office equipment £	Computers £	Total £
<b>Cost</b>					
At the start of the year	120,000	420,618	11,842	88,207	<b>640,667</b>
Additions in year	-	2,684	1,832	5,863	<b>10,379</b>
Disposals in year	-	(13,860)	-	-	<b>(13,860)</b>
At the end of the year	120,000	409,442	13,674	94,070	<b>637,186</b>
<b>Depreciation</b>					
At the start of the year	24,000	140,206	3,947	76,085	<b>244,238</b>
Charge for the year	12,000	70,371	2,279	9,563	<b>94,213</b>
Eliminated on disposal	-	(13,860)	-	-	<b>(13,860)</b>
At the end of the year	36,000	196,717	6,226	85,648	<b>324,591</b>
<b>Net book value</b>					
<b>At the end of the year</b>	84,000	212,725	7,448	8,422	<b>312,595</b>
At the start of the year	96,000	280,412	7,895	12,122	396,429

All of the above assets are used for charitable purposes.

## 11 Investments

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Fair value at the start of the year	<b>1,311,602</b>	1,221,552	<b>1,461,605</b>	1,371,555
Additions at cost	<b>227,611</b>	239,580	<b>227,611</b>	239,580
Disposal proceeds	<b>(218,316)</b>	(233,110)	<b>(218,316)</b>	(233,110)
Net gain / (loss) on change in fair value	<b>(187,827)</b>	83,580	<b>(187,827)</b>	83,580
	<b>1,133,070</b>	1,311,602	<b>1,283,073</b>	1,461,605
Cash held by investment broker pending reinvestment	<b>31,630</b>	25,443	<b>31,630</b>	25,443
Fair value at the end of the year	<b>1,164,700</b>	1,337,045	<b>1,314,703</b>	1,487,048

Investments comprise:

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Shares listed on the London Stock Exchange	<b>531,950</b>	686,851	<b>531,950</b>	686,851
Overseas listed investments	<b>582,750</b>	600,194	<b>582,750</b>	600,194
Unlisted income bonds in the UK	<b>50,000</b>	50,000	<b>50,000</b>	50,000
Investment in subsidiaries	-	-	<b>150,003</b>	150,003
	<b>1,164,700</b>	1,337,045	<b>1,314,703</b>	1,487,048

**12 Subsidiary undertakings**

The Association holds a controlling interest in IWA Publishing Limited, IWA Conferences Limited, IWA Development Solutions Limited, IWA Global Enterprises Limited, Nanjing IWA Science & Technology Co. Ltd (China), IWAT Science and Technology Private Limited (India) and IWAI Water Foundation (India), whose details are given below.

**IWA Publishing Limited**

The charity owns the whole of the issued ordinary share capital of IWA Publishing Limited, a company registered in England. The company number is 03690822. The registered office address is Export Building, First Floor, 1 Clove Crescent, London, E14 2BA.

The subsidiary is used for non-primary purpose trading activities, these being the publishing of books, periodicals and video recordings. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustees Kalanithy Vairavamoorthy, Enrique Cabrera Rochera, Marie-Pierre Whaley and Peter Vanrolleghem are also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	4,006,312	4,104,474
Cost of sales	(780,542)	(725,822)
Cost of sales related to purchases from parent undertaking	-	-
<b>Gross profit</b>	<b>3,225,770</b>	3,378,652
Administrative expenses	(1,223,660)	(1,243,718)
<b>Profit on ordinary activities before interest and taxation</b>	<b>2,002,110</b>	2,134,934
Interest receivable and similar income	358	28
<b>Profit on ordinary activities before taxation</b>	<b>2,002,468</b>	2,134,962
Taxation on profit on ordinary activities	-	-
<b>Profit for the financial year</b>	<b>2,002,468</b>	2,134,962
<b>Retained earnings</b>		
Total retained earnings brought forward	-	-
Profit for the financial year	2,002,468	2,134,962
Distribution under Gift Aid to parent charity	(2,002,468)	(2,134,962)
<b>Total retained earnings carried forward</b>	<b>-</b>	<b>-</b>
The aggregate of the assets, liabilities and reserves was:		
Assets	2,900,025	1,654,346
Liabilities	(2,750,025)	(1,504,346)
<b>Reserves</b>	<b>150,000</b>	150,000

Amounts owed to the parent undertaking were: £1,166,273 (2021: £923,639).

**12 Subsidiary undertakings (continued)****Nanjing IWA Science & Technology Co. Ltd**

The charity owns the whole of the issued ordinary share capital of Nanjing IWA Science & Technology Co. Ltd, a company registered in China. The company's activities in the year were that of promoting the art and science of water management globally, by the encouragement of training, study and research in water management and the publications of the useful results of such research; to share advances technologies and best practices with water professionals and organisations.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are held in the company for future operations.

A summary of the results of the subsidiary is shown below:

	<b>2022</b>	2021
	£	£
Turnover	<b>41,539</b>	836,156
Turnover from sales to parent undertaking	-	-
Cost of sales	<b>(39,469)</b>	(391,582)
Cost of sales related to purchases from parent undertaking	-	-
<b>Gross profit/(loss)</b>	<b>2,070</b>	444,574
Administrative expenses	<b>(458,293)</b>	(207,764)
Management charge payable to parent undertaking	-	-
Management charge due from parent undertaking	-	-
Other operating income	-	-
<b>Profit/(loss) on ordinary activities before interest and taxation</b>	<b>(456,223)</b>	236,810
Interest receivable and similar income	<b>514</b>	1,035
Interest payable	-	-
Interest payable to parent undertaking	-	-
<b>Profit on ordinary activities before taxation</b>	<b>(455,709)</b>	237,846
Taxation on profit on ordinary activities	-	(8,415)
<b>Profit for the financial year</b>	<b>(455,709)</b>	229,431
<b>Retained earnings</b>		
Total retained earnings brought forward	<b>454,850</b>	225,419
Profit for the financial year	<b>(455,709)</b>	229,431
<b>Total retained earnings carried forward</b>	<b>(858)</b>	454,850
The aggregate of the assets, liabilities and reserves was:		
Assets	<b>742</b>	508,492
Liabilities	<b>(1,600)</b>	(53,642)
<b>Reserves</b>	<b>(858)</b>	454,850

Amounts owed to/from the parent undertaking were: £x (2021: £nil)

**13 Parent charity**

The parent charity's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	6,492,984	1,139,709
Result for the year	<b>(1,217,868)</b>	<b>(2,240,791)</b>

**14 Stock**

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Goods held for resale	52,953	52,953	-	-
	<b>52,953</b>	<b>52,953</b>	<b>-</b>	<b>-</b>

**15 Debtors**

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	1,840,188	1,189,365	106,877	169,557
Other debtors	301,855	202,615	301,855	192,846
Prepayments and accrued income	146,063	340,635	93,407	278,138
Amounts due from subsidiary undertakings	1,098	1,098	1,167,371	924,737
	<b>2,289,204</b>	<b>1,733,713</b>	<b>1,669,510</b>	<b>1,565,278</b>

**16 Creditors: amounts falling due within one year**

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	882,091	459,939	793,219	288,581
Other creditors	743,426	595,117	528,396	465,834
Social security costs	65,602	65,597	49,561	48,536
Specialist Group funds	230,939	160,467	230,939	160,467
Accruals and deferred income (note 16)	1,800,814	2,281,021	535,408	1,964,377
	<b>3,722,872</b>	<b>3,562,140</b>	<b>2,137,523</b>	<b>2,927,794</b>

**17 Deferred income**

Deferred income comprises income collected in advance for future journal, membership subscriptions and events.

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Balance at the beginning of the year	2,281,021	1,981,584	1,964,377	1,125,537
Amount released to income in the year	<b>(2,281,021)</b>	<b>(1,981,584)</b>	<b>(1,964,377)</b>	<b>(1,125,537)</b>
Amount deferred in the year	1,800,814	2,281,021	535,408	1,964,377
Balance at the end of the year	<b>1,800,814</b>	<b>2,281,021</b>	<b>535,408</b>	<b>1,964,377</b>

**18 Creditors: amounts falling due after one year**

	<b>The group 2022</b>	2021	<b>The charity 2022</b>	2021
	£	£	£	£
Provision for dilapidation	<b>120,000</b>	120,000	<b>120,000</b>	120,000
	<b>120,000</b>	120,000	<b>120,000</b>	120,000

Provision for dilapidations represents the estimated cost of reinstatement works, repairs and redecoration, as well as specific works that will need to be made in line with the office lease. (Export Building, First Floor, 1 Clove Crescent, London E14 2BA.

**19 Pension scheme****Group and company**

The group operates a Defined Benefit Pension Scheme.

**The amounts recognised in the Balance Sheet are as follows:**

	<b>2022</b>	2021
	£	£
Present value of funded obligations	<b>(1,933,000)</b>	(2,950,000)
Fair value of scheme assets	<b>2,461,000</b>	3,190,000
Surplus not recognised	<b>(528,000)</b>	(240,000)
Surplus in scheme at end of the year and available to the Association	<b>-</b>	-

The latest actuarial valuation at 31 December 2022 shows a pension surplus of £528,000 (2021:£240,000). The surplus valuation results in 2022 is not recognised on the balance sheet as an asset because it is not available to the Association by way of reduced future contributions. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the statement of financial activities as other recognised gains and losses.

**The amounts recognised in the Statement of Financial Activities are as follows:**

	<b>2022</b>	2021
	£	£
Interest on obligation	<b>(54,000)</b>	(42,000)
Expected return on scheme assets	<b>59,000</b>	45,000
	<b>5,000</b>	3,000

**Movements in the present value of the defined benefit obligation were as follows:**

	<b>2022</b>	2021
	£	£
Opening defined benefit obligation	<b>2,950,000</b>	3,084,000
Interest cost	<b>54,000</b>	42,000
Actuarial losses	<b>(893,000)</b>	15,000
Benefits paid	<b>(293,000)</b>	(288,000)
Administration cost	<b>115,000</b>	97,000
Closing defined benefit obligation	<b>1,933,000</b>	2,950,000

19 Pension scheme (continued)

Group and company

Changes in the fair value of scheme assets were as follows:

	2022 £	2021 £
Opening fair value of scheme assets	3,190,000	3,317,000
Expected return on assets	59,000	45,000
Actuarial gains	(640,000)	(27,000)
Contribution by employer	145,000	143,000
Benefits paid	(293,000)	(288,000)
	<b>2,461,000</b>	3,190,000

The group expects to contribute £154,223 to its Defined Benefit Pension Scheme in 2022 (2021: £147,300).

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2022 £	2021 £
Discount rate at 31 December	4.75%	1.90%
Future pension increases	3.30%	3.30%
Retail price inflation	3.40%	3.40%
	<b>8.60%</b>	8.60%

Longevity assumptions as at 31 December 2022

Males (M) or Females (F)	2022	2021
Base table	S3PA tables with 92% Male and 102% Female scaling factor	Club Vita base tables reflecting profile of individual Scheme members, in line with the 2019 formal actuarial valuation.
Future improvements	CMI 2021 model allowing for 25% of the data from 2020 and 2021 with a long term rate of improvement of 1.5% p.a. for males and 1.0% p.a. for females, with a smoothing parameter of $S_k=7.0$ .	CMI 2018 model with along term rate of improvement of 1.5% p.a. for males and 1.0% p.a. for females, calibrated to Club Vita experience with a smoothing parameter of $S_k = 7.5$ .

**20a Analysis of group net assets between funds (current year)**

	General unrestricted £	Designated funds £	Revaluation reserve £	Restricted funds £	Total funds £
Intangible fixed assets	-	44,190	-	-	<b>44,190</b>
Tangible fixed assets	-	312,595	-	-	<b>312,595</b>
Investments	1,025,523	-	139,177	-	<b>1,164,700</b>
Net current assets	1,680,701	(858)	-	1,293,823	<b>2,973,666</b>
Long term liabilities	(120,000)	-	-	-	<b>(120,000)</b>
<b>Net assets at 31 December 2022</b>	<b>2,586,224</b>	<b>355,927</b>	<b>139,177</b>	<b>1,293,823</b>	<b>4,375,151</b>

**20b Analysis of group net assets between funds (prior year)**

	General unrestricted £	Designated funds £	Revaluation reserve £	Restricted funds £	Total funds £
Intangible fixed assets	-	106,700	-	-	<b>106,700</b>
Tangible fixed assets	-	443,247	-	-	<b>443,247</b>
Investments	1,010,041	-	327,004	-	<b>1,337,045</b>
Net current assets	665,386	454,849	-	44,963	<b>1,165,198</b>
Long term liabilities	(120,000)	-	-	-	<b>(120,000)</b>
<b>Net assets at 31 December 2021</b>	<b>1,555,427</b>	<b>1,004,796</b>	<b>327,004</b>	<b>44,963</b>	<b>2,932,190</b>

## 21a Movements in funds (current year)

	At 1 January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
<b>Restricted funds:</b>					
Improving water security for the poor	-	-	-	-	-
Citywide inclusive sanitation	-	1,165,189	(166,155)	-	999,034
GIZ Carbon Neutrality in Water	(7,615)	28,490	(525)	(20,350)	
Climate Smart Utilities Initiative	-	36,684	(35,942)	-	742
Aquarating - Sierra Leone	-	43,495	(3,566)	(31,437)	8,492
Aquarating - Mongolia	-	-	(6,164)	7,037	873
Climate Resilient WSP's	-	-	(202)	202	-
Operation and Maintenance Network	11,133	35,236	(23,913)	(8,487)	13,969
Diffuse Pollution SG Fund	21,164	-	-	-	21,164
Prime Water	-	118,653	(20,530)	-	98,123
Water-Wise Cities Project	14,775	-	(1,540)	-	13,235
Reach Project	-	-	-	-	-
LAC HRWS	5,506	-	(2,031)	-	3,475
Youth Action for SDG6 Fellowship fund	-	134,716	-	-	134,716
Regulators NBS	-	-	-	-	-
<b>Total restricted funds</b>	<b>44,963</b>	<b>1,562,463</b>	<b>(260,568)</b>	<b>(53,035)</b>	<b>1,293,823</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Tangible and intangible assets	549,947	-	-	(193,162)	356,785
Nanjing Fund	454,849	42,053	(497,760)	-	(858)
Total designated funds	1,004,796	42,053	(497,760)	(193,162)	355,927
Revaluation reserve	327,004	(187,827)	-	-	139,177
General funds	1,555,427	8,937,191	(8,152,591)	246,197	2,586,224
<b>Total unrestricted funds</b>	<b>2,887,227</b>	<b>8,791,417</b>	<b>(8,650,351)</b>	<b>53,035</b>	<b>3,081,328</b>
Pension reserve	-	-	-	-	-
<b>Total funds</b>	<b>2,932,190</b>	<b>10,353,880</b>	<b>(8,910,919)</b>	<b>-</b>	<b>4,375,151</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 21b Movements in funds (prior year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
<b>Restricted funds:</b>					
Improving water security for the poor	(15,459)	15,429	-	30	-
Citywide inclusive sanitation	66,800	-	(67,210)	410	-
GIZ Carbon Neutrality in Water	14,531	-	(22,146)	-	(7,615)
Aquarating - Mongolia	(35,936)	-	-	35,936	-
Aquarating - Zambia	14,009	-	-	(14,009)	-
Climate Resilient WSPs	(30,140)	47,510	(17,370)	-	-
Operation and Maintenance Network	5,951	33,217	(28,035)	-	11,133
Diffuse Pollution SG Fund	21,164	-	-	-	21,164
Prime Water	32,843	-	(33,320)	477	-
Water-wise Cities Project	-	21,874	(7,099)	-	14,775
Reach Project	-	-	(500)	500	-
LAC HRWS	5,506	-	-	-	5,506
Regulators NBS	-	-	-	-	-
	-	-	-	-	-
<b>Total restricted funds</b>	<b>79,269</b>	<b>118,030</b>	<b>(175,680)</b>	<b>23,344</b>	<b>44,963</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Tangible and intangible assets	614,894	-	(64,947)	-	549,947
Nanjing Fund	225,419	837,191	(607,761)	-	454,849
Total designated funds	840,313	837,191	(672,708)	-	1,004,796
Revaluation reserve	283,642	102,256	-	(58,894)	327,004
General funds	1,400,849	5,126,181	(5,007,153)	35,550	1,555,427
<b>Total unrestricted funds</b>	<b>2,524,804</b>	<b>6,065,628</b>	<b>(5,679,861)</b>	<b>(23,344)</b>	<b>2,887,227</b>
Pension reserve	-	-	-	-	-
<b>Total funds</b>	<b>2,604,073</b>	<b>6,183,658</b>	<b>(5,855,541)</b>	<b>-</b>	<b>2,932,190</b>

**Purposes of restricted funds****Improving water security for the poor**

The REACH programme is led by Oxford University and brings together a consortium of global leaders in water science, policy and practice. REACH is a new global research programme to improve water security for the poor by delivering world-class science that transforms policy and practice.

**Citywide inclusive sanitation**

The IWA is working with our partners, through this project IWA aims at identifying the needs, opportunities, and tools for action to support and inspire regulators in their contribution to achieving citywide inclusive sanitation in the context of the Sustainable Development Goals.

**GIZ Carbon Neutrality in Water**

The IWA is working on a project with GIZ, funded by the German Federal Ministry of Environment, Nature Conservation, to improve the carbon balance across utilities. The project focuses on parts of the nexus as addressing greenhouse gas reduction and energy efficiency produces benefits for water efficiency and recovers resources. The fund currently having a deficit balance, pending payment receivable from the donor.

**Movements in funds (continued)**

**Purposes of restricted funds**

**Aquarating**

The funds received from Millennium Corporation, USA toward the execution of a technical cooperation programme for the implementation of a rating system Aqua Rating for the water and sanitation providers. The Aquarating Mongolia and Aquarating Sierra Leone fund currently having a deficit balance, pending payment receivable from the donor.

**Water-Wise Cities Project**

Funded by SIAAP towards help city leaders ensure that everyone in their cities has access to safe water and sanitation. One of the aims is to ensure that water is integrated in planning and design in cities to provide increased resilience to climate change, livability, efficiencies, and a sense of place for urban communities. The ultimate goal of these Principles is to encourage collaborative action, underpinned by a shared vision, so that local governments, urban professionals, and individuals actively engage in addressing and finding solutions for managing all waters of the city.

**Operation and Maintenance Network**

Funds received from Ministry of Health, Labour and Welfare ("MHLW") Japan to support, raise awareness and develop capacities to effectively address operations and maintenance of water supply and sanitation systems and protect public health.

**GEF Floods & Droughts**

Funds received from UN Enviro Programme to develop adaptive, sociotechnical risk management measures and strategies for coastal communities against extreme hydro-meteorological events minimising social, economic and environmental impacts and increasing the resilience of Coastal Regions in Europe.

**Prime Water**

Funded through EU Horizon 2020 – the Framework Programme for Research and Innovation for delivering advanced predictive tools from medium to seasonal range for water dependent industries and exploiting the cross-cutting potential of EO and hydro-ecological modelling (in short PrimeWater).

**Diffuse Pollution Specialist Group**

Conference surplus funds received from the Diffuse Pollution Specialist Group towards the cost of future activities.

**WSP - Asia-Pacific Network**

Funds received from UNOPS towards hosting the WSP Network Asia, the thematic network for capacity development for water safety plans and to strengthen the Asia Pacific WSP network to support the development of climate resilient, adaptable systems for water supply.

**Climate Resilient WSP's**

funding provided by OPEC Fund for International Development (OFID) for implementing climate resilient water safety planning to improve water supply and public health.

**Movements in funds (continued)**

**Purposes of restricted funds**

**Youth Action for SDG6 Fellowship fund**

funding provided by Grundfos towards the participation of 14 bright and promising international young water professionals (YWPs) at the UN 2023 Water Conference, on 22-24 March 2023 in New York, USA.

**Regulators - Nature Based Solutions (NBS)**

Funds received from The Nature Conservancy (TNC) towards Supporting regulators and regulation to enable consideration and investment in nature based solution to improve water security and safety.

**Purposes of designated funds**

**Tangible and Intangible asset fund**

This fund balance represents the carrying value of the Association's tangible and intangible fixed assets net of any associated liabilities. This fund has been established in recognition of the fact that the assets are used in the day to day work of the charity and do not represent reserves available to finance its operations.

**Investment revaluation reserve**

This fund balance represents the balance included within fixed asset investments which has arisen as a consequence of the cumulative impact of market value changes to the Association's investment assets. It has been separated in order to provide an indication of the difference between the value of listed investments at the balance sheet date relative to its historic cost. A calculation is provided at note 19 to the financial statements.

**Pension reserve**

This fund represents the Association's long-term liability in respect of its defined benefit pension scheme. It is separated in order to acknowledge that the liability is long-term and may be disregarded in considering the availability of free reserves in meeting the day-to-day obligations of the Association and the group.

**Nanging Fund**

This fund represents the net asset under the control of the Association's subsidiary, Nanjing IWA Science & Technology Co. Ltd in China. Those net assets are essential to the operations in China and therefore separately ring-fenced in these accounts.

**22 Operating lease commitments payable as a lessee**

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2022	2021	2022	2021
	£	£	£	£
Less than one year	<b>75,495</b>	75,495	<b>2,900</b>	-
One to five years	<b>1,132,425</b>	1,132,425	<b>10,150</b>	-
Over five years	<b>452,970</b>	528,465	-	-
	<b>1,660,890</b>	1,736,385	<b>13,050</b>	-

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2022	2021	2022	2021
	£	£	£	£
Less than one year	<b>226,485</b>	75,495	<b>2,900</b>	-
One to five years	<b>1,132,425</b>	1,132,425	<b>10,150</b>	-
Over five years	<b>301,980</b>	528,465	-	-
	<b>1,660,890</b>	1,736,385	<b>13,050</b>	-

**23 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.