

Company no. 1787329
Charity Number 288701 (England and Wales) and SC039479 (Scotland)

WaterAid in the UK
Annual Report and Financial
Statements
31 March 2011

WaterAid in the UK Annual Report 2010/11

Contents

Summary of achievements in 2010/11	3
Executive summary from the Chief Executive and Chair.....	3
Our vision and mission	4
Progress against our aims for 2010/11.....	5
Aim one: We will promote and secure poor people's rights and access to safe water, improved hygiene and sanitation.	5
Aim two: We will support governments and service providers in developing their capacity to deliver safe water, improved hygiene and sanitation.	11
Aim three: We will advocate for the essential role of safe water, improved hygiene and sanitation in human development.	14
Aim four: We will further develop as an effective global organisation recognised as a leader in our field and for living our values.	17
Income and expenditure summary	17
How we measure our work.....	22
Principal factors outside our control that affected our work in 2010/11	24
Our aims for 2011/12.....	25
Financial policies	27
Structure, governance and management	28
Trustees, advisors and key details	32
Independent auditors' report to the Trustees and members of WaterAid.....	33
 Financial statements	
Consolidated statement of financial activities.....	35
Consolidated and charity balance sheets.....	36
Consolidated cash flow statement.....	37
Notes to the financial statements	38
 Thank you.....	 60

Summary of achievements in 2010/11

In 2010/11 we reached **1.5 million** people with **safe water** and **1.6 million** people with **sanitation**.

Income: £48.1 million

Expenditure: £50.8 million

How your £1 was spent: 77p was spent on delivering services and influencing, 23p was spent on fundraising and governance.

Number of individual supporters: 224,477

Number of country programmes: We work in 23 countries. We have country programme offices in 19 countries and are piloting work in a further four African countries (NB. WaterAid in Australia works in three additional country programmes in Timor-Leste, Papua New Guinea and Laos).

Number of programme partners: 479.

Number of staff: 606 (415 in country programmes, 191 in the UK) average full-time equivalents.

Executive summary from the Chief Executive and Chair of WaterAid in the UK

Welcome to our Annual Report 2010/11. Overall this was a year of excellent achievement for WaterAid despite many challenges here in the UK and across our country programmes in Asia and Africa.

We work in a world of urgent demand, where 884 million people live without safe water and 2.6 billion live without sanitation. In response, throughout the year we increased the coverage of our work across the 23 countries where we operate.

We supported our local partner organisations to deliver sustainable water and sanitation services, appropriate to the local context, and to promote improved hygiene. We also worked alongside our partners to influence decision-makers to improve investment and delivery of water and sanitation services to reach the poorest communities.

We are delighted to report that in the last year 1.5 million people accessed safe water as a result of our support to local organisations (a 54% increase on the previous year) and 1.6 million people gained access to sanitation (30% up on the previous year). In total, since 1981, we have reached almost 16 million people with safe water and, since 2004, more than 11 million people with sanitation.

WaterAid's advocacy and research work was increasingly influential at the global, regional and national levels as demonstrated by our work around the UN Millennium Development Goals +10 Summit, the Sanitation and Water for All partnership and progress made with governments and donors.

The commitment and generosity of our supporters continued to inspire us. Our income rose 5.5% on last year to £48.1 million with a 7% increase in income from individual supporters giving on a regular basis. This allowed us to increase spend on our charitable aims by 15%. In every £1, we spent 77p on our charitable aims and 23p on fundraising and governance.

WaterAid international was launched during the year to establish a federation of WaterAid Members in America, Australia and Sweden alongside ourselves in the UK. This was a significant step forward in WaterAid becoming a truly global organisation allowing greater coverage and impact.

In the year ahead we intend to continue to support our partners to deliver services in 23 countries and influence others to join us in tackling the global water and sanitation crisis across the developing world. Here in the UK, around 53% of the adult population now recognise our organisation, which gives us a fantastic platform to continue raising awareness of what we do and why.

It simply remains for us to give heartfelt thanks to all our supporters, without whom none of this would be possible. It is testament to your loyalty and selflessness that we celebrate 2010/11 as another year when WaterAid transformed people's lives. We now look to the future, delivering on our ambitious plans to increase access to those most basic human rights of safe water and sanitation.



Jeremy Pelczer, Chair of the Board of Trustees



Barbara Frost, Chief Executive

Our vision and mission

Our vision is of a world where everyone has access to safe water and sanitation.

Our mission is to transform lives by improving access to safe water, hygiene and sanitation in the world's poorest communities. We work with partners and influence decision-makers to maximise our impact.

This report covers the work managed by WaterAid in the UK. (WaterAid has independently-governed Member offices in the UK, US, Australia and Sweden).

As trustees we confirm WaterAid has complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

WaterAid's charitable objects are enshrined within its governing documents and as such the trustees ensure that this is carried out for the public benefit through our four strategic aims. The following report shows how WaterAid has provided public benefit through the achievement of objectives against those strategic aims.

WaterAid is a non governmental organisation and a UK charitable company limited by guarantee. We currently work in 23 countries in Africa and South Asia (with country programme offices in 19 of those countries and pilot programmes in a further four countries). We also work in a range of other countries globally through the Freshwater Action Network (FAN) and End Water Poverty (EWP) coalitions.

Progress against our aims for 2010/11

Below, we report our progress against each aim and its related objectives. The four aims correspond precisely with the four aims of the Global Strategy 2009-15. The objectives broken down under each aim were specific to delivery in 2010/11.

NB. Objectives are marked '>>'

Aim one: We will promote and secure poor people's rights and access to safe water, improved hygiene and sanitation.

>>Work with our partners to reach 1.24 million people with safe water and 1.77 million with sanitation.

In 2010/11 we reached:
1.5 million people with water
1.6 million people with sanitation

We exceeded our target of reaching 1.24 million people with safe water and reached 1.5 million people, 54% higher than the previous year. We reached 1.6 million people with sanitation facilities against our original target of 1.77m, 30% higher than the previous year.

Our South Asia programmes represent about 30% of our country programme investment, but they yield around 60% of the total numbers of people reached with sanitation. These results reflect the demographics of countries in South Asia, which have far more densely concentrated and larger populations when compared to the countries where we work in Africa.

Table 1: People reached with water and sanitation¹

		Number of people reached with water 000s	Number of people reached with sanitation 000s
Asia	Bangladesh	215	453
	India	582	435
	Nepal	59	62
	Pakistan ²	21	42
	Total Asia	877	992
East Africa	Ethiopia	77	103
	Kenya	-	-
	Rwanda	4	1
	Tanzania	60	42
	Uganda	59	24
	Total East Africa	200	170
Southern Africa	Angola	-	-
	Lesotho	-	-
	Madagascar	32	21
	Malawi	18	49
	Mozambique	52	45
	Swaziland	-	-
	Zambia	36	41
	Total Southern Africa	137	156
West Africa	Burkina Faso	59	93
	Ghana	45	14
	Liberia	4	1
	Mali	31	36
	Niger	7	4
	Nigeria	86	144
	Sierra Leone	-	6
	Total West Africa	232	298
Total number of people reached		Water: 1,446	Sanitation: 1,616

¹ The above numbers are collected according to protocols explained on page 22.

² An additional 154,000 people reached in response to floods in Pakistan

How WaterAid in the UK is progressing towards its contribution to the WaterAid Global Strategy 2009-2015 to reach 25 million people directly through our work and our investments in our partners

At the end of the second year of our Global Strategy we have delivered the following numbers and are reviewing our country strategies to maintain momentum in realising our targets.

Table 2: Cumulative water and sanitation numbers of people reached by WaterAid in UK since the start of our 2009-2015 Global Strategy

	Year one 2009-10		Year two 2010-11		Cumulative
	Planned 000s	Actual 000s	Planned 000s	Actual 000s	Actual 000s
Water	732	944	1,246	1,446	2,390
Sanitation	1,243	1,242	1,769	1,616	2,858

Table 3: Country programme partners worked with in the year

WaterAid's partnerships by type of organisation							
	Total	Funded	Not funded	Focus of partnerships			
				Service delivery	Influencing	Research	Capacity building
NGO	131	116	15	103	20	1	8
International NGO	14	4	10	2	8		4
Local / District Government	113	97	16	59	9	3	50
National government	66	28	38	9	37	11	11
Research institutions	17	13	4	1	1	9	9
Consortia	4	1	3		3		1
Networks	26	18	8		23		3
Faith-based organisations	5	5		4	1		
Other	103	57	46	20	43	2	19
Total	479	339	140				

>>Continue to promote the water and sanitation rights of the poorest and most marginalised people.

Equity and inclusion

We have continued to develop our capacity and skills in equity and inclusion to help our partners reach the most marginalised people in the communities we work in. A distance learning course promoting equity of access has been piloted with WEDC (the Water, Engineering and Development Centre at Loughborough University).

Twelve country programmes received intensive training in equitable and inclusive approaches to programme design, service delivery and monitoring to ensure that girls and women, disabled people and people living with HIV/AIDS receive services. Country programmes are developing a clearer understanding on rights-based approaches and case studies of our work were included in the report of the UN Special Rapporteur on the human right to safe drinking water and sanitation.

Accordingly for the first time, many of our country programmes have provided user numbers disaggregated by gender and disability. This has shown an even split in terms of gender while only 0.5% of the people we reached were disabled people. We have more work to do in reaching this excluded group.

South Asian Conference on Sanitation (SACOSAN)

WaterAid played an important role during the year at SACOSAN, an inter-governmental conference on sanitation that takes place every two years in Asia, which resulted in specific commitments being made by governments to public sector budget allocations for sanitation and hygiene programmes.

>>Help ensure the sustainability of water and sanitation facilities by supporting our partners to develop community leadership and management.

Sustainability

WaterAid's *Sustainability Framework* has been finalised and is being piloted through post-implementation studies in 2011/12 in advance of it being introduced in all our country programmes from 2012/13.

Water Resource Management

A number of country programmes have introduced rainwater harvesting and sand dam construction. Our Regional Learning Centre in Burkina Faso has been supporting country programmes to embed Water Resource Management principles in their programmes through building partnerships with expert organisations in the region and through training and documentation.

Water quality

It is a high priority that no water facilities delivered through WaterAid funded programmes are cleared for use until they have passed water-quality testing. This testing must state the water is safe for human consumption. In 2010/11 all WaterAid Country Programmes updated their national policies on water quality in line with updated global guidelines. Country Programmes have embedded these policies in their programme work.

Community-Led Total Sanitation (CLTS)

CLTS is now part of the national sanitation policies in Ethiopia, Ghana, Nigeria and Kenya. This methodology has been developed from the original ground-breaking work initiated by visionary community leaders in Bangladesh. WaterAid was involved in policy formulation, review and implementation.

>>Work closely with communities and service providers to strengthen our understanding of working in urban areas.

Rural and urban work

Currently the majority of poor communities live in rural areas and our provision of services reflects this. For water, 75% of the people supported by partners were from rural areas, 20% in urban areas and 5% in small towns. For sanitation, 80% of users were in rural areas, 14% in urban areas and 6% in small towns.

Our *Urban Framework* has also been finalised which provides guidance to country programmes for deepening their urban work. At least four countries reported increased work in small towns in response to increased interest in this area.

Water and Sanitation for the Urban Poor (WSUP)

Through our engagement with our partner WSUP, we have reached another 200,000 water users and 30,000 sanitation users. We engage with WSUP in Bangladesh, Mozambique, Madagascar, Ghana and Mali.

>>Promote good hygiene practices in schools and increase the number of country programmes promoting menstrual hygiene management.

Hygiene

Our teams in Burkina Faso, Ghana, Malawi, Uganda and Tanzania undertook hygiene monitoring surveys. Reports indicate a wide range of results from only 20% using improved hygiene practices in parts of Tanzania to 60% in Burkina Faso, which has led us to consider how best we can ensure lasting behaviour change.

Menstrual hygiene management is now integral to our programmes in all our four South Asia countries, targeting messages to both girls and boys, while also involving the local community and teachers. For instance, in Bangladesh, 772 schools were targeted for personal and menstrual hygiene education, reaching out to nearly 20,000 children. Eleven country programmes reported working with schools to promote water, sanitation and hygiene (WASH).

>>Develop our Water Security Framework and Disaster Preparedness Strategy in response to increasing climate variability.

Disasters

We responded proactively to support people affected by the devastating floods in Pakistan. In addition to the beneficiaries listed in Table 1, a further 154,000 users were reached by providing water purification tablets and water through tankers. We also made significant and practical responses to disasters in Bangladesh, Burkina Faso and Mozambique. Reflecting on this and the other experiences we have had in recent years, we will be developing our procedures and guidance on disaster response.

Water security

East Africa completed a regional study on water security, the recommendations of which have informed country programme plans and strengthened their understanding.

Aim two: We will support governments and service providers in developing their capacity to deliver safe water, improved hygiene and sanitation.

>>Promote equitable and sustainable access to safe water, hygiene and sanitation and strengthen the sector's governance, transparency and accountability.

Financing the water, sanitation and hygiene (WASH) sector

We researched the financing of the WASH sector, drawing on input from country programmes in Ethiopia, Ghana, India, Madagascar, Nepal and Tanzania. The evidence is being compiled in a flagship report that will form the basis of WaterAid's advocacy work in 2011/12.

Coordination of the WASH sector

WaterAid country programmes and partners worked closely with governments and donors to encourage improved coordination of the investments and work in the WASH sector. Four country programmes reported good progress on improved coordination in their national WASH sector, ten have reported moderate progress and one has reported little or no progress.

WASH sector performance monitoring

Five country programmes in East Africa; four countries in Southern Africa; four countries in West Africa and four countries in South Asia engaged in and contributed to WASH sector performance monitoring. Examples of national and international progress:

- The Water and Sanitation forum in Ethiopia started producing the first WASH civil society joint annual performance report.
- In Kenya, work began with the Netherlands Development Organisation (SNV) and the Water Service Boards on the water point mapping project.
- Work with the UN Joint Monitoring Programme (JMP) and Global Annual Assessment of Sanitation and Drinking Water (GLAAS) teams in order to strengthen sector performance monitoring at global and national level.
- Our advocacy and research staff worked with the JMP to better monitor global water and sanitation in urban settings and were invited to the JMP Urban Task Force meeting in Kenya in June 2011.

Monitoring advocacy

An approach to assessing influencing work was agreed with country programmes and included in country strategy plans. Twelve country programmes report good progress on influencing policies and practices within the sector in their respective countries.

In Pakistan, our partner Orangi Pilot Project lobbied local governments to implement cost effective 'mega drainage' infrastructure, benefitting over 72,000 people. In Bangladesh, through our work in mobilising local governments, 57,000 more people were supported with water and sanitation facilities.

In Burkina Faso, partly as a result of our campaigning work, the President launched a sanitation campaign to reach out to 54,000 families each year until 2015 with household latrines.

>>Develop a Pan Africa Strategy to share knowledge and promote innovation and more effective engagement with governments, civil society and service providers.

Pan Africa Strategy

A draft Pan Africa Strategy was developed. However, as it was decided to decentralise WaterAid's regional offices, we postponed its finalisation. WaterAid contributed to work at a continental level and made inputs into the work of the African Ministers on Water.

Africa Water Week 2010

We actively participated in Africa Water Week in November 2010 and advocated successfully to improve inter-sectoral collaboration through the Working Group of African Ministers' Council on Water (AMCOW) and the African Ministers' Council on Housing and Urban Development (AMCHUD).

World Water Day 2011

WaterAid participated in the preparatory meetings (in Zaragoza and Addis Ababa) for the global celebration of World Water Day in Cape Town, South Africa, influencing the theme and agenda for the global celebration. WaterAid was invited onto the steering group to help AMCOW promote 'A Year of Water and Urbanisation'.

>>Work with national governments and international donors and networks to encourage equitable and sustainable delivery of water, sanitation and hygiene.

UK Government policy

Ahead of the 2010 UK general election, we advocated for WASH to be included in the manifestos of the three main parties and, for the first time, this was achieved. We commented on the Department for International Development's (DFID) bilateral and multilateral aid reviews. There was good news, particularly in Africa where DFID will be stepping up investment programmes in several countries, and the UK Government has thus far committed to bringing safe water to 15 million people, sanitation to 25 million and improved hygiene to 15 million. However, while we acknowledge that difficult decisions have to be made when allocating resources during challenging economic times, we continued to advocate for the UK Government to set their global targets to reach 100 million people with water and sanitation by 2015.

Prioritisation of WASH

Six country programmes reported an increase in funding and prioritisation of WASH by their government. In East Africa, all countries publicised their national budget for 2010-11, showing an improvement in national financing.

West Africa country programmes in Burkina Faso, Ghana and Nigeria indicated that their governments are taking concrete steps to increase funding to the sector. Country programmes in Ethiopia, Uganda, Bangladesh, Pakistan and Nepal progressed or planned research reports relating to financing for WASH to promote local accountability.

Sanitation and Water for All (SWA)

WaterAid is a key partner in SWA, a global partnership between developing countries, donors, multi-lateral agencies, civil society and other development partners working together to achieve universal and sustainable access to sanitation and drinking water. SWA has been taken up in eight countries where we work.

The first SWA High Level Meeting took place at the World Bank in April 2010 with over 30 ministers present. A collective commitment was made to address the neediest countries' lack of both credible WASH investment plans and capacity to generate such plans and attract funds. A highlight was the announcement by the Ghana Government of the 'Ghana Compact', which will provide an additional US\$350 million each year for five years for the WASH sector.

>>Develop the planning, monitoring and budget analysis skills of our partners.

Data collection

Getting reliable and accurate data on water and sanitation coverage is one of the challenges to developing robust plans for the sector. The Southern and East Africa regions prioritised working on this with governments and other stakeholders such as Unicef. Data reconciliation workshops were held to devise action plans to improving quality of information.

Aim three: We will advocate for the essential role of safe water, improved hygiene and sanitation in human development.

>>Focus our advocacy on the links between water, hygiene and sanitation and improved health, education and livelihoods.

Integration of WASH into other sectors

WaterAid has been monitoring the integration of water, improved sanitation and hygiene in other sectors. Six countries reported good progress by their governments in health policies, seven countries in the case of child health, two in the case of education, eight in the case of agriculture/livelihoods, seven in the case of economic development and two for climate change.

In West Africa, all country programmes have started to develop partnerships with organisations outside the WASH sector.

In Madagascar, WASH was linked to health and education through the training of community workers and the promotion of the school WASH friendly concept. The programme exceeded its targets in raising awareness of key WASH messages.

In Pakistan we supported the establishment of a Budget Research Centre in the Faculty of Agriculture Economics of Sindh Agriculture University.

In Nepal we have worked in close collaboration with the Ministry of Health, resulting in increased integration of WASH into national health plans and strategies.

The World Walks for Water

On World Water Day in the UK, we held the Westminster Walks for Water event as part of The World Walks for Water global event. Secretary of State for International Development Andrew Mitchell and 40 other MPs attended. 63 MPs signed an Early Day Motion and DFID announced a review of their portfolio of investments in sanitation and water.

Globally, 350,000 people in 75 countries took part in The World Walks for Water including the President of the Philippines, the Water Ministers of Uganda, India and Togo, Members of Parliament from the ruling parties in Germany and international development Ministers in the Netherlands.

End Water Poverty

WaterAid is a founder member of End Water Poverty coalition. The coalition gained new members and targeted connections between WASH, the MDGs and health. Achievements include:

- A joint publication in partnership with Action for Global Health and Action Contre le Faim, with a letter signed by over 175 organisations, which drew attention to the interdependency of the Millennium Development Goals (MDGs), with sanitation as a key example.
- Coordinating civil society organisation input at the Sanitation and Water for All High Level Meeting in Washington DC.

Working with civil society

WaterAid supported and facilitated civil society participation in a number of key international events that included Stockholm Water Week and the South Asia Conference on Sanitation.

In South Asia, East Africa and West Africa, forums for WASH media networks have been actively promoted.

30 civil society organisations and networks supported citizens to understand their rights to WASH and to demand more accountability and responsiveness from duty bearers at all levels, for example through the use of community-based radio programmes in Uganda; the Right To Information Act in India, simplification and dissemination of water codes in Central America and Mali.

>>Sanitation recognised at the UN MDG+10 review summit in September 2010.

Millennium Development Goals (MDGs)

At the UN MDG+10 Summit, Ambassador Jan Eliasson, the Chair of WaterAid in Sweden, joined and participated in the UN Secretary General's MDG Advocates Group. We helped ensure that sanitation was central to discussions during the Summit, with the interdependence between WASH and maternal and child health being a key focus. Our other achievements included:

- Speaking at UN preparatory meetings and a round of bilateral meetings with key ambassadors and UN officials, being one of the few NGO representatives invited.
- Influencing the formal outcome document of the Summit, with clear calls to address sanitation.
- Elevating the WASH crisis to the highest echelons of power through the Chair of WaterAid Sweden's role as the UN Secretary General's Global Millennium Development Goal Personal Advocate.
- '*Ignored: Biggest Child Killer*', our publication for the Summit, received widespread media coverage, including an Al Jazeera TV interview.

>>Publish our *State of the World's WASH* report in order to influence international donors and governments to give increased priority to water, sanitation and hygiene.

Global advocacy

A workshop was held in November 2010 to feed into the pilot WaterAid 'flagship report' *State of the World's WASH*. Research on the case studies from country programmes took longer than anticipated and so the report is now due to be published in 2011/12. .

We identified 'sanitation and water financing' as the WaterAid global advocacy priority for 2011-12.

>>Build alliances with organisations and networks focused on children, gender, disability and HIV/AIDS. We will also engage with the health and education sectors.

WASH and child health

Linkages with the White Ribbon Alliance on maternal and child health were formed. WaterAid participated in the African Union Summit that focused on child health together with other NGOs in order to increasingly mainstream WASH into the health agenda.

We contributed to key policy consultations in the UK and globally, including a DFID results framework on reproductive, maternal and newborn health and the UN Global Strategy on Women's and Children's Health.

We continued to build up the body of research and evidence on child health, through activities including a systematic review on sanitation and nutrition (through the Sanitation and Hygiene Applied Research for Equity Consortium (SHARE)), a report on the role of the health sector in sanitation promotion, and various coalition reports on integrated approaches to child health.

>>Increase our advocacy focus on water security and climate change.

Among other activities, we collaborated with Nobel Peace Prize winner Wangari Maathai on an opinion editorial article for the *Guardian* and prominent news website *The Huffington Post*.

Aim four: We will further develop as an effective global organisation recognised as a leader in our field and for living our values.

>> Increase our income to £48 million and develop our grant and voluntary income while maintaining a high percentage of unrestricted funds.

Table 4: Income and expenditure

Income	
Donations	£32.4m
Grants (unrestricted)	£1.6m
Grants (restricted)	£12.9m
Gifts in kind	£0.2m
Activities for generating funds	£1.0m
Total income	£48.1m
Transfer from reserves	£2.7m
	£50.8m

Expenditure	
Supporting partners to deliver water, sanitation and hygiene	£32.9m
Influencing policy	£6.2m
Fundraising	£11.3m
Governance	£0.4m
Total	£50.8m

We invested funds held in reserve to deliver our charitable objectives. Our reserves are in excess of the level required in the Reserves Policy approved by the Board of Trustees.

Income

Key to our Funding Strategy is the need to build and support a diverse base of funding sources. Historically one of our great strengths has been our ability to access a significant level of funding which is not contractually linked to specific projects or areas of work. This has given us greater freedom to allocate funding according to operational rather than donor priorities.

Unrestricted funding forms 67% of our income which is an excellent position for WaterAid to be in. This unrestricted portfolio of funding comes from a wide range of sources providing both stability and flexibility to our funding model.

In 2010/11, WaterAid's income continued to grow to £48.1 million, a rise of 5.5%, and achieving our target of £48 million. This is an achievement for which that we thank all our supporters: from individuals and community groups, to organisations and institutions.

Despite continued tough economic times, we had a net increase of 22,477 individuals choosing to commit to giving to WaterAid on a regular basis and, as explained below, the attrition rate remained low. Individual supporters also help support WaterAid's campaigning work and build a constituency of support as well as providing the basis of our income.

We were very pleased to have received funding from AusAid, who have been a significant funder of water projects globally in 2010/11. AusAid (through WaterAid in Australia) was the largest grant funder of WaterAid in UK's work, giving funding of £3.7 million towards our work during the year.

We continued to receive UKaid from DFID: £2.9 million in 2010/11 from a combination of UK and local DFID offices. With additional grants being awarded directly to country programmes, UKaid from DFID provided 6% of WaterAid's income in 2010/11. We were also delighted to be awarded a UKaid Programme Partnership Agreement of £4.1 million for 2011/12 from DFID to fund our work.

Glastonbury was again a wonderful experience and we were delighted that our President, HRH The Prince of Wales, was able to share a visit to Glastonbury with our Chief Executive Barbara Frost. Glastonbury contributed significant funds, £241,000 in 2010/11, and huge amounts of exposure for water and sanitation as key development issues.

We are grateful to have had a number of successful corporate partnerships in 2010/11 with Whitbread raising £437,000 through their staff fundraising efforts and Hennes & Mauritz raising £374,000 (now channelled through WaterAid in Sweden as described in note 3 of the accounts). Please see page 60 where we thank our major funding partnerships.

Water companies

WaterAid continues to benefit from strong partnerships throughout the UK water industry. 18 out of 26 water companies are involved in the 'Customer Campaign', where fundraising inserts are sent out in household water bills. However we have seen some down-turn in income raised through the water company fundraising committees running events in 2010/11. This followed the 2009 water companies' price review, which led to redundancies and restructuring in most companies during 2010/11. Despite these challenges we are pleased to retain strong support throughout the industry.

Direct marketing

We increased regular givers by 22,477 people whilst maintaining our low attrition rate bringing our total to 224,477 by the year end, only 523 short of the initial target, and this stream of income increased by 7%. This brings in £23.8 million in unrestricted income.

Fundraising from events, community groups and companies

Fundraising from events, community groups and companies did not perform as well as we had planned and we fell short of the budget.

This led to a review of the management structure and focus of these teams to support them better. The more 'consumer' fundraising teams of community and events fundraising are now managed within the Supporter Development Team. A Major Partnerships Team has been put in place with a mandate to focus on securing and developing long-term high-value partnerships with companies, major donors and the water sector. A new Head of Department has been recruited to lead this team from autumn 2011.

Grants

Our grant fundraising fortunes were mixed but ended on budget. DFID pledged a Partnership Programme Arrangement (PPA) which is expected to be £12 million over three years. There was a shortfall in WaterAid in UK-sourced grants but higher than anticipated income from other WaterAid Members ensured that the overall grant target was met.

WaterAid Trading Ltd

WaterAid Trading Ltd made a profit of £0.2 million on £0.3 million gross income (see note 13 of the financial statements). It should be noted that the fall in income from 2009/10 is because funds raised through the highly valued Hennes & Mauritz partnership are now remitted to WaterAid in Sweden enabling them to raise additional matched funding from local, Swedish, sources. We currently have 13 trading partnerships in place.

WaterAid operating in Scotland

WaterAid is registered as a charity in Scotland with the Office of the Scottish Regulator, registration number SC039479. WaterAid raised funds of £247,000 through its regional fundraising events, employee fundraising activities and payroll giving in Scotland and operated from office space donated by Scottish Water.

Expenditure

Total expenditure was £50.8 million, an increase of £5.5 million from 2009/10. For every £1 we spent, 77p went on our charitable activities of service delivery and influencing. 23p was spent on fundraising and governance.

Charitable activities expenditure has grown by 15% from £34.0 million in 2009/10 to £39.1 million in 2010/11 after reallocation of support costs.

UK support costs decreased in 2010/11 by 2%. While fundraising and governance costs (after allocation of UK support costs) increased by 4% in 2010/11, we generated a 5.5% growth in income and an 11% rise in individual supporters (a net increase of 22,477 people). Cost of generating funds (plus governance costs), as a percentage of total expenditure, was 23% in 2010/11, a reduction from 25% in 2009/10. We expect this ratio will increase in 2011/12 as we invest additional funds in recruiting new supporters and we invest in the WaterAid Members in America and Australia to build their fundraising base.

It was planned that we would run a deficit budget in 2010/11 to utilise those funds we held that were in excess of our reserves policy. This deficit helped ensure we had growth in our country budgets in local currency. Some of our countries have experienced high inflation and devaluation of their currencies. We continue to commit to local currency budgets and not pass on the risk of exchange rate volatility to our country programmes and our partners. We have met the challenge of volatility in exchange rates and high inflation with effective management of our resources.

>> Focus on supporting our growth through the foundation of WaterAid international and the development of our global systems.

>> Form WaterAid international and produce a membership investment and development plan to support this.

WaterAid international

As part of further developing WaterAid as an effective global organisation in December 2010 the Board of WaterAid international met for the first time. WaterAid international was established to provide the governance structure for WaterAid to expand its coverage and impact through a federation of WaterAid Members able to contribute towards the financing and effectiveness of the work.

WaterAid had licensed the name to be used by independent WaterAid organisations in America, Australia and Sweden. The AGM in October agreed that the WaterAid name and marks could be transferred to WaterAid international once the right governance structure was in place. This transfer occurred in July 2011 and WaterAid in the UK and other WaterAid Members are now licensed by WaterAid international (WAI) to use the name and to deliver the Global Strategy.

WaterAid Members

WaterAid in America, Australia and Sweden, are independently constituted organisations with their own Boards and Chief Executives and are licensed to use the name WaterAid. We have worked closely throughout the year to develop our global influencing work and together funded work in Africa, Asia and the Pacific region.

WaterAid in Australia manages country programmes in Timor-Leste, Laos and Papua New Guinea and is an accredited AusAid agency, enabling them to access government funding for project work. WaterAid in America has successfully fundraised for WaterAid's operational and advocacy work, and has extended its staffing by recruiting a Head of Policy and Advocacy to help influence the US Government's water and sanitation policy.

>> Develop our use of digital technology and improve our IT infrastructure across our country programme and UK offices.

IT and digital technology

We began a project to redevelop our external web presence, both for the UK and for the various parts of our international organisation. The first objective is to drive awareness and engagement with the WASH cause both nationally, in the countries in which we operate, and internationally. The second objective is to increase income generation through our digital channels. This project is scheduled to deliver the initial phase of the new web platform by the end of 2011.

A programme of IT infrastructure investment in the country programme offices was completed in 2010/11. Our basic IT infrastructure was improved and standardised in country programmes, new local servers put in place, legal software installed, wiring improved and hardware purchased. A computer virus clean-up exercise was completed and additional connectivity brought on line. We rolled out Microsoft Office 2007 with training sessions.

This project built on the work of the previous years to install satellite internet technology to support the implementation of the Global Accounting System and other core communication tools. Upgrading the core infrastructure has significantly improved the operational effectiveness in country programme offices with less down-time and more security and more use of videoconferencing. Access to fundamental services, technology and applications is now at an acceptable level for efficient operational working.

>> Refine our processes for planning, monitoring and evaluation and use these to track our progress, improve decision-making and ensure accountability.

How we measure our work

We developed a set of 15 strategic performance indicators to enable us to measure our annual performance and progress towards our Global Strategy. Across the organisation we report on these as part of our annual reporting process in addition to reporting on agreed annual performance indicators which are agreed by the Board of Trustees. The strategic performance indicators are integral to our organisational planning and reporting processes.

During the year we reviewed how we measured our results. This ensures a consistent approach to getting the numbers of people supported with access to water and sanitation with data disaggregated by gender, disability and whether the population served was living in a rural or urban area.

As sustainability is critical to our work, annual sample surveys are used as an indicator to sustainability. A new evaluation policy was also developed during the year and piloted in Ghana and Uganda. The executive summaries and briefing notes of evaluations are published on our website:

www.wateraid.org/international/what_we_do/how_we_work/how_we_evaluate_our_work/default.asp

All country programmes revised their country strategies to align with the Global Strategy. Equity and inclusion is now mainstreamed in all country strategies.

As improved planning, monitoring and evaluation is integrated more effectively across our work the effects are being seen in improved performance and learning.

>>Other work towards aim four

Communications

Our communications work has led to increased media coverage and influence. NfP Synergy measured UK public awareness of WaterAid was 53% and there was a succession of positive media coverage on our policy, programme and fundraising work.

Work to build communications capacity in-country continued. Our social media programme increased (74% more 'tweeters') and the team have begun to prepare for a step change in approach once the new digital platform is in place later this year.

Web site traffic increased overall by 66%. And a new teachers' panel was introduced to support our development education programme.

Human resources and the organisation

During 2010/11 we had an average of 606 full-time equivalent staff (415 in country programmes, 191 in the UK). In October 2010 we conducted our second Global Employee Survey. 97% of our global staff took part. Overall results were positive, with some clear feedback about areas for improvement. The survey showed that 90% of staff are proud to work for WaterAid and 93% are clear about our strategy and aims. 80% would 'wholeheartedly recommend WaterAid as a great place to work. We performed above or in line with our benchmark organisations in most areas. An area that employees said we needed to improve was pay and benefits in our Country Programmes. We conducted a number of local market based reviews during the year which led to adjustments in some countries and we will be continuing this work during 2011/12. High inflation also led to some higher than usual increases in salaries in some Country Programmes during the year.

We improved our people management with a leadership development programme attended by 150 senior managers.

We rolled out a performance management system to all staff. All countries have now implemented the new system and ratings were awarded to all eligible staff at the end of 2010/11.

We completed a global skills audit that provided substantive data for our 2011/12 national and global plans. A range of development is being provided in response, including through e-learning.

Our continued commitment to improving our organisational performance through our people was demonstrated this year when we were awarded the bronze accreditation by Investors in People. The assessor was particularly positive about our leadership development programme and the way in which we live our values. He noted "an intoxicating atmosphere of determination to make a difference throughout the organisation".

We continue to make WaterAid a welcoming place to work for people from the widest possible range of backgrounds, culture and experience. This year we rolled out training on equity and inclusion for all staff globally and we continue to be members of the Positive About Disabled People scheme as we are committed to the employment, retention, training and career development of disabled employees.

We are extremely grateful to everyone in our dedicated network of volunteers for giving their time to speak for WaterAid or organise events to raise funds. We have also welcomed volunteers into our offices across the UK to help with research, administration or technical advice.

Principal factors outside our control that affected our work in 2010/11

Economics and politics

In the UK, despite the challenging economic circumstances our fundraising efforts ensured continued growth.

The political situation in the South Asia region has remained unpredictable but without major upheaval. Pakistan continues to experience regular terrorist incidences.

Madagascar remained in political stalemate and isolation, resulting in continued lack of commitment from international partners and reticence of the private sector to invest.

Nigeria's recurrent civil conflict has continued in the northern states with additional religious conflicts in certain areas. Civil unrest has also affected Burkina Faso.

National economies have been vulnerable to significant inflation and currency devaluation with increasing global fuel and food prices. The events of the 'Arab Spring' have had an impact on investment in the region, for instance Libyan investment in development of the oil industry in Ghana, and investment in the banking sector in Burkina Faso and Mali.

Climate

East Africa has seen variable climate in the form of varying rainfall patterns with frequent floods and drought leading to increasing food insecurity in some regions. At present, this scenario has led to food insecurity and conflict among pastoralists in Kenya and Uganda, and is causing frequent power shortages as the region is heavily dependent on hydro-electric power.

There have been climate-related disasters in South Asia and Southern Africa. In Pakistan the floods in July 2010 displaced nearly 20 million people, posing serious challenges for the government and development partners to provide shelter, food, health and water, sanitation and hygiene (WASH) facilities on an emergency basis. Cyclones and flooding affected countries in the Southern Africa region during the year and caused cholera outbreaks in Malawi and Mozambique.

Our aims for 2011/12

Aim one

We will promote and secure poor people's rights and access to safe water, improved hygiene and sanitation.

Objectives:

- We will reach 1.4 million people with safe water – 16% in urban areas, 14% in small towns and 70% in rural areas.
- We will reach 2.5 million people with sanitation – 9 % in urban areas, 6% in small towns and 85% in rural areas
- We will promote menstrual hygiene management in seven country programmes in Asia and East Africa.
- We will develop and disseminate our hygiene framework and complete pilot studies to establish a baseline on hygiene practices.
- We will complete post-implementation pilot studies in selected country programmes to monitor sustainability.
- We will improve the understanding and adaptation of a rights-based approach across all country programmes.

Aim two

We will support governments and service providers in developing their capacity to deliver safe water, improved hygiene and sanitation.

Objectives:

- We will develop our work in targeting poor people living in urban areas and will launch our urban 'manifesto'.
- We will continue to contribute to and engage with Water and Sanitation for the Urban Poor (WSUP) at a global level and in six country programmes.
- We will promote our approach to working in small towns in up to seven countries.
- We will play an active role in the Sanitation and Water for All partnership (SWA), including the pilot country case study in Liberia.
- We will collect evidence to demonstrate that governments and service providers have changed their policy and practice towards equitable and sustainable WASH services.
- We will work with national governments in 15 countries across Africa and Asia to make explicit their commitments on sanitation and to promote accountability for their delivery.

Aim three

We will advocate for the essential role of safe water, improved hygiene and sanitation in human development.

Objectives:

- We will promote better and more equitable financing for WASH.
- We will promote WASH as a priority in national poverty reduction plans, particularly through the Sanitation and Water for All partnership (SWA) which will be functional in 15 countries where we work in Africa and Asia.
- We will promote greater integration of WASH in health, education and livelihood sectors, ensuring that school WASH gains a higher profile in 15 country programmes.

Aim four

We will further develop as an effective global organisation recognised as a leader in our field and for living our values.

Objectives:

- We aim to increase our income from a diverse and global range of sources to £52 million, an 8% increase on the previous year.
- We will improve our financial accountability and full cost recovery.
- We will implement our Global People Strategy to facilitate the delivery of our overall aims.
- We will continue to build a diverse income portfolio, increasing our number of supporters to 240,000 people. For every £1 we spend we will spend a maximum of 25p on fundraising and governance.
- We will raise UK public awareness of WaterAid to over 55% and will refresh our web presence.
- We will invest in WaterAid international to promote the start up of new WaterAid Members and bi-laterally in other WaterAid Members to maximise WaterAid's coverage and impact.

Financial policies

Reserves policy

WaterAid has an approved reserves policy which lays out the framework for the holding of an operational reserve within general reserves. The targets for the operational reserve are reviewed on an annual basis, as the Directors Team and the Trustees assess the key corporate risks identified in the coming year of the Global Strategy.

The Board of Trustees has identified the following key corporate risks for 2011/12 that WaterAid should mitigate by holding an operational reserve of £11.1m within unrestricted funds:

- The risk of income targets not being met as the impact of the global economic uncertainty continues to affect discretionary spend of individuals and companies.
- The risk of exchange rate volatility and inflation increasing the cost of overseas expenditure, particularly in material costs, transport costs and wages.
- The risk of timing differences that may occur throughout the year because of cash owed by grant funders and other debtors.

The Board of Trustees has also decided to designate two funds:

1. The tangible fixed asset fund of £0.9 million representing the net book value of WaterAid's tangible fixed assets.
2. The pension fund of £0.3 million representing the debt held within the pension scheme which is disclosed as a contingent liability in the accounts.

Investment policy

WaterAid holds short term investments and cash as set out in the consolidated and charity balance sheets. The objective of the investment policy is to maximise interest while limiting risk. The investment policy is to invest in term deposits and cash at banks with a Standard and Poor credit rating of A-1 or A-1+.

The investment return of £50,000 achieved in the year reflects the continued low returns experienced from money market deposits in sterling, US dollars and euros. This is projected to continue throughout the financial year 2011/12.

Accounting policy (i) in Note 1 to the financial statements explains that donated shares are not intended to be held as investments and are sold when conditions placed on the shares allow and as soon as is practically possible.

Going concern

The Board of Trustees is of the opinion that WaterAid has adequate resources to continue in operational existence for the foreseeable future.

Structure, governance and management

Legal structure

WaterAid was established by Trust Deed on 21 July 1981, incorporated on 30 January 1984 and registered as a charity on 22 February 1984. WaterAid registered as a charity in Scotland with the Office of the Scottish Charity Regulator on 3 April 2008. WaterAid has a Memorandum which sets out the objects and powers of the organisation and is governed in accordance with the Articles of Association. WaterAid is a company limited by guarantee and the members undertake to contribute £1 in the event of the company being wound up. In 2010/11 there were 49 company members.

Trading company

WaterAid has a wholly-owned trading subsidiary, WaterAid Trading Ltd, through which it sells Christmas cards and goods and operates the sub-licensing agreements WaterAid enters into.

Organisation structure

WaterAid has a central office in London where the Chief Executive and a team of five Directors are based. The office supports our international programmes, campaigns and policy work along with finance and IT, fundraising and communications and human resources. A Strategic Planning Manager and Internal Audit Team also report to the Chief Executive.

There are WaterAid offices in 19 countries in Africa and Asia currently headed by Country Representatives or Country Team Leaders appointed by, and accountable to, the Heads of Region and the Director of International Programmes. The country offices report to the regional offices and support partners in delivering water, improved hygiene and sanitation and in influencing policy.

In 2010/11 a review of WaterAid's regional structures was conducted to determine the best location of the regional offices to maximise impact and the staffing and skills required. The West Africa Head of Region and West Africa Regional Advocacy and Policy Adviser have been hosted within WaterAid's office in Ghana. All other West Africa regional team members have been hosted in the UK. In 2011 all West Africa regional staff will move to Senegal. The Southern Africa regional office has been based in the UK and will move to Pretoria. The Asia regional team will remain in the UK and the East Africa regional team will be in part in the UK and in part in the region.

WaterAid also works in partnership with other organisations in countries where there is no WaterAid presence at this time. For example the Governance and Transparency Fund of the UK Department of International Development has financed a joint programme run by WaterAid and the Freshwater Action Network. This covers work in 16 countries of Africa, Asia and Central America helping civil society organisations to have a dialogue with decision-makers and water and sanitation service providers.

WaterAid's UK Board of Trustees

In 2010/11 WaterAid's Board of 11 trustees has guided WaterAid in its work and development. Trustees serve for three year terms that may be renewed for another three years. In occasional circumstances the term may be extended beyond this in order to retain specific skills.

The Board of Trustees governs the organisation in line with its vision, aims and charitable objectives and provides overall policy direction. The Board is responsible for compliance with the legal and statutory requirements of a UK charity and of a registered company. In 2010/11 Peter Millward was formally appointed to the Board; he had previously been an external member of the Audit Committee.

The Board of Trustees has three committees:

1. The Audit Committee encourages and safeguards the highest standards of integrity, financial reporting and internal control. It also oversees the organisation's risk management processes.
2. The Nominations Committee ensures that trustees of the highest calibre with an appropriate mix of skills and experience are put forward for selection to the Board of Trustees.
3. The Remuneration Committee reviews the development of our people management policies and practices including our salary policy.

All the above committees have terms of reference and meet regularly. An induction programme is held for trustees joining the Board. Trustees are invited to participate in seminars with staff as well as being expected to visit WaterAid's work to familiarise themselves with our operations.

As part of the development of the Board, performance assessment processes are used for the Board as a whole and for individual trustees. The members of the Board of Trustees, who are also directors of the company and trustees of the charity (for statutory purposes) and who have served during the year are listed in the Trustees and advisors section on page 32 together with the President, Vice Presidents and the Directors Team.

Management of the charity is delegated by the trustees to the Chief Executive and through the Chief Executive to the Directors Team and employees. The planning and reporting arrangements in place give trustees confidence that the charity is being managed effectively.

Risk management and internal controls

WaterAid has a risk management process that ensures appropriate steps are taken to mitigate risk. By the very nature of WaterAid's work as an international non governmental organisation, WaterAid carries a level of risk that is necessary to achieve its objectives. WaterAid has identified the major risks and has ranked these by likelihood and impact. The Board of Trustees has assessed these and is satisfied that reasonable steps are being taken to mitigate exposure to these risks. A target range for an operational reserve has been identified to cover the cost of funding those risks should they materialise, and for working capital.

The Board of Trustees has overall responsibility for ensuring that WaterAid has a system of internal control to mitigate risks identified. Such a system of internal control can provide only reasonable and not absolute assurance against errors or fraud. Controls safeguard WaterAid's assets and maintain integrity of accounting controls. WaterAid's country programmes and the UK office assess and manage risk on an ongoing basis with risk management tools incorporated into planning and monitoring. WaterAid operates a multi-year planning and budgeting system with annual milestones set. The financial reporting system compares results with the budget on a monthly basis. WaterAid's internal audit department carries out regular audits. These audits are prioritised using a risk-based approach with reference to the risk map. The Head of Internal Audit submits regular reports to the Audit Committee.

For specific financial risk goods and services are bought at market rate and salaries are subject to annual review; credit risk on amounts owed to the charity, predominantly by donors, is considered to be low; sufficient reserves have been allocated for working capital needs and there are no long-term borrowings; exchange rate risk is monitored and action taken where significant risk to the operations is identified.

Statement of the Board of Trustees' responsibilities for the financial statements

The Trustees (who are also directors of WaterAid for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company'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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees on 1 September 2011 and signed on its behalf by:



Jeremy Pelczer
Chair of the Board of Trustees

Trustees, advisors and key details

President

HRH The Prince of Wales

Vice Presidents

The Rt Hon Baroness Chalker of Wallasey
Maurice Lowther BSc, FICE, FCIWEM, CBIM

Board of Trustees (Companies Act directors)

Paul Batchelor

Hugh Belshaw OBE, Honorary Treasurer^{1,3}

Gregory Hodgkinson, (also Chair of WaterAid in America)

Agnes Kalibbala

Sandeep Katwala

Tony Kelly, (also Chair of WaterAid in Australia)

Peter Millward (appointed Trustee at AGM 15 October 2010. Chair of Audit Committee from July 2011) ¹

Helen Pankhurst

Jeremy Pelczer, Chair of the Board of Trustees ^{2,3}

Nigel Reader CBE, Chair of the Audit Committee until July 2011^{1,2}

Pamela Taylor OBE, Vice Chair of the Board of Trustees^{1,2,3}

¹ Audit Committee member

² Nominations Committee member

³ Remuneration Committee member

Chief Executive and Company Secretary

Barbara Frost

Directors Team

Margaret Batty, Director of Policy and Campaigns

Andrew Cook, Director of Fundraising and Communications, and Deputy Chief Executive

Paula Laird, Director of Finance and IT

Girish Menon, Director of International Programmes

Rachel Westcott, Director of Human Resources

Principal bankers

Barclays Bank plc
50 Pall Mall
London
SW1A 1QB

Auditors

PricewaterhouseCoopers
LLP
7 More London Riverside
London
SE1 2RT

Principal solicitors

Bates, Wells and
Braithwaite
2-6 Cannon Street
London
EC4M 6YH

Registered office and operational address:

47-49 Durham Street, London, SE11 5JD

Independent auditors' report to the Members of WaterAid

We have audited the financial statements of WaterAid for the year ended 31 March 2011 which comprise the consolidated statement of financial activities (incorporating an income and expenditure account), the consolidated and charity balance sheets, the consolidated cash flow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of the trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on pages 30-31 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and being satisfied that they give a true and fair view.

We have been appointed auditors under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

The maintenance and integrity of the WaterAid website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditors' report to the Members of WaterAid (continued)

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2011 and the group's incoming resources and application of resources, including the group's income and expenditure and cash flows, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared are consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records or 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.



Kevin Lowe (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
London

6th September 2011

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

Consolidated statement of financial activities

(incorporating an income and expenditure account)

for the year ended 31 March 2011

			2011	2010
	Note	Unrestricted £000	Restricted £000	Total £000
Incoming resources			Total	Total
<i>Incoming resources from generated funds:</i>				
Voluntary income:				
Donations	2	29,523	2,935	32,458
Grants	2	1,557	-	1,557
Gifts in kind	2	184	-	184
Activities for generating funds	3	949	39	988
Investment income		51	-	51
<i>Incoming resources from charitable activities:</i>				
Grant funding for specific activities	4	<u>30</u>	<u>12,849</u>	<u>12,879</u>
Total incoming resources		<u>32,294</u>	<u>15,823</u>	<u>48,117</u>
Resources expended				
<i>Costs of generating funds:</i>				
Costs of generating voluntary income	5	11,181	-	11,181
Fundraising trading	5	<u>100</u>	<u>-</u>	<u>100</u>
		<u>11,281</u>	<u>-</u>	<u>11,281</u>
<i>Charitable activities</i>				
Supporting partners to deliver water, sanitation and hygiene	5	17,943	14,929	32,872
Influencing policy in water, sanitation and hygiene	5	<u>5,453</u>	<u>745</u>	<u>6,198</u>
		<u>23,396</u>	<u>15,674</u>	<u>39,070</u>
<i>Governance costs</i>	1f/5	<u>416</u>	<u>-</u>	<u>416</u>
Total resources expended		<u>35,093</u>	<u>15,674</u>	<u>50,767</u>
Net (loss)/ income for the year	23	(2,799)	149	(2,650)
Net movement of funds in year		<u>(2,799)</u>	<u>149</u>	<u>(2,650)</u>
Reconciliation of funds				
Total funds at 1 April		<u>16,390</u>	<u>1,750</u>	<u>18,140</u>
Total funds at 31 March	18	<u><u>13,591</u></u>	<u><u>1,899</u></u>	<u><u>15,490</u></u>

The statement of financial activities includes all gains and losses recognised during the year. There were no realised gains during the year on investment assets. All incoming resources and resources expended derive from continuing activities. The notes supporting the financial statements are on pages 38 to 59.

The parent company's gross income for the year was £48.0m (2010 gross income: £45.5m). The parent company's net loss for the year was £2.6m (2010 net income: £0.4m).

Consolidated and charity balance sheets
as at 31 March 2011

		Group		Charity	
	Note	2011 £000	2010 £000	2011 £000	2010 £000
Fixed assets					
Intangible assets	9	61	68	61	68
Tangible assets	9	793	584	793	584
		<u>854</u>	<u>652</u>	<u>854</u>	<u>652</u>
Current assets					
Debtors	10	6,283	5,617	6,487	5,691
Short term investments	11	5,328	9,841	5,328	9,841
Cash at bank and in hand	14	7,985	5,694	7,741	5,578
		<u>19,596</u>	<u>21,152</u>	<u>19,556</u>	<u>21,110</u>
Liabilities					
Creditors: Amounts falling due within one year	15	(4,472)	(3,347)	(4,432)	(3,305)
Provisions for liabilities and charges	16	(488)	(317)	(488)	(317)
		<u>(4,960)</u>	<u>(3,664)</u>	<u>(4,920)</u>	<u>(3,622)</u>
Net current assets		<u>14,636</u>	<u>17,488</u>	<u>14,636</u>	<u>17,488</u>
Net assets		<u>15,490</u>	<u>18,140</u>	<u>15,490</u>	<u>18,140</u>
The funds of the charity					
Unrestricted funds					
Designated funds	18	1,185	964	1,185	964
General funds	18	12,406	15,426	12,406	15,426
		<u>13,591</u>	<u>16,390</u>	<u>13,591</u>	<u>16,390</u>
Restricted funds	18	<u>1,899</u>	<u>1,750</u>	<u>1,899</u>	<u>1,750</u>
Total funds		<u>15,490</u>	<u>18,140</u>	<u>15,490</u>	<u>18,140</u>

The financial statements on pages 35 to 59 were approved by the Board of Trustees on 1 September 2011 and signed on its behalf by:



Jeremy Pelczer, Chair of the Board of Trustees



Hugh Belshaw, Treasurer

**Consolidated cash flow statement
for the year ended 31 March 2011**

	2011	2010
	£000	£000
Net loss/(income) for the year	(2,650)	379
Donated investments	(1)	(25)
Interest receivable	(51)	(55)
Depreciation of tangible fixed assets	683	651
(Gains) on investments	(4)	-
(Profit) on disposal of fixed assets	(15)	(15)
(Increase) in debtors	(661)	(101)
Increase / (decrease) in creditors	1,125	(269)
Increase / (decrease) in provisions	<u>171</u>	<u>(117)</u>
Net cash (outflow) / inflow from operations	<u>(1,403)</u>	<u>448</u>
Returns on investment		
Bank interest received	<u>46</u>	<u>51</u>
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(901)	(357)
Proceeds from sales of fixed assets	31	20
Proceeds from sales of investments	<u>11</u>	<u>25</u>
	<u>(859)</u>	<u>(312)</u>
Cash (outflow) / inflow before decrease in liquid resources	<u>(2,216)</u>	<u>187</u>
Management of liquid resources		
Decrease / (increase) in short term deposits	<u>4,507</u>	<u>(2,319)</u>
Increase / (decrease) in cash in the year	<u><u>2,291</u></u>	<u><u>(2,132)</u></u>
Analysis of cash as shown in the balance sheet		
	2011	2010
	£000	£000
Balance at 1 April	5,694	7,826
Net cash inflow / (outflow)	<u>2,291</u>	<u>(2,132)</u>
Balance at 31 March	<u><u>7,985</u></u>	<u><u>5,694</u></u>
This balance can be analysed as follows:		
UK	4,331	3,234
Overseas	<u>3,654</u>	<u>2,460</u>
Balance at 31 March	<u><u>7,985</u></u>	<u><u>5,694</u></u>

Notes to the financial statements

For the year ended 31 March 2011

1. Accounting policies

a) Basis of preparation

The accounts are prepared in accordance with applicable Accounting Standards in the United Kingdom and under the historical cost convention, except for investments which have been included at market valuation or the value considered appropriate by the Board of Trustees. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP), issued in March 2005 and the Companies Act 2006.

As permitted by Section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005, a separate income and expenditure account dealing with the results of the charitable company only has not been presented.

b) Basis of consolidation

The charity has one wholly owned subsidiary WaterAid Trading Limited, which is registered in England. Consolidated accounts for the group, being WaterAid and WaterAid Trading Limited have been prepared on a line by line basis. The group consolidation does not include WaterAid International or other WaterAid members. WaterAid is a registered charity in England, Wales and Scotland.

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

c) Related party transactions

The charity has taken advantage of the exemption set out in FRS8 not to disclose any transactions between the charity and the subsidiary.

d) Foreign exchange

Transactions denominated in foreign currencies are translated at the rate of exchange at the end of the month. Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date. Foreign exchange losses incurred in respect of our overseas operations are included in the Statement of Financial Activities (SOFA) within charitable activity expenditure for the period in which they are incurred.

1. Accounting policies (continued)

e) Incoming resources

All incoming resources are included in the consolidated SOFA when the charity is legally entitled to them, receipt is virtually certain and the amount can be measured with sufficient reliability.

Grants receivable

Grants are credited to the SOFA when receivable. Incoming resources are only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the charity and with no specific restrictions placed upon their use are included within voluntary income. Grants that have specific restrictions placed upon their use are included within incoming resources from charitable activities.

Voluntary income

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

Restricted income

Income received that has specific restrictions placed upon its use is credited to restricted income within the SOFA on a receivable basis. Unspent balances are carried forward within the relevant restricted fund.

Gifts in kind

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

Legacies

Legacy income is recognised when WaterAid's entitlement is virtually certain and where the amount can be reliably measured.

Fundraising events

Fundraising events income is included in voluntary income as the funds received are by nature donations rather than funds paid to gain a benefit.

1. Accounting policies (continued)

f) Resources expended

Resources expended are recognised in the period in which they are incurred on an accruals basis. Resources expended include attributable VAT which cannot be recovered.

Costs of charitable activities includes direct expenditure incurred through grants to partners and operational activities together with associated support costs. Charitable expenditure is reported as a functional analysis of the work undertaken by the Charity, being supporting partners to deliver safe water, sanitation and hygiene and campaigning and advocacy.

Grants are recognised in the period in which they are payable. Grants payable in furtherance of the charity's objects are attributed to the related classification heading in the SOFA. Partner agreements may be for longer than one year but funding contracts are typically for a year's duration.

The costs of generating funds relate to the costs incurred by the group and charitable company in raising funds for the charitable work.

Governance costs are those associated with the governance arrangements relating to the strategic operations of the charity as opposed to those costs associated with general running of the charity, fundraising or charitable activity. These governance costs include external audit costs, internal audit costs, trustee costs and directors' time in governance of the organisation.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, support costs, comprising the salary and overhead costs of the central function, is apportioned on the basis of staff numbers in each area of activity. These staff numbers are listed in note 6 to the financial statements. The central function includes costs relating to the Departments of Finance, Facilities, IT, Human Resources and the Chief Executive's Office.

g) Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in note 18 to the financial statements and also in the Board of Trustees' report.

Restricted funds are used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs where appropriate. Negative balances are only carried forward where further income is virtually certain in the following year.

1. Accounting policies (continued)

h) Tangible fixed assets and depreciation

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

Motor Vehicles	33.33%
Furniture and equipment - Overseas	33.33%
Furniture and equipment - UK	20%
Computers and office equipment	33.33%

Intangible fixed assets and depreciation

Software	33.33%
----------	--------

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

i) Investments

The investment representing the shareholding interest in the subsidiary is valued at cost.

Donated shares, which are AIM listed and which must be held for over a year due to conditions placed on them are included at Trustees' valuation based upon an analysis of a reasonable value in the market for such shares. Other donated shares which are freely tradeable are included at the market valuation at the balance sheet date. Shares are not intended to be held as investments and are sold as soon as practically possible. The gain or loss for the period is taken to the SOFA.

j) Pension cost

The charity operates two defined contribution pension schemes. The assets of both schemes are held separately from those of the charity in independently administered funds. The pension cost represents contributions payable under the schemes by the charity to the funds. The charity has a contingent liability should it withdraw from the scheme administered by the Pensions Trust, or in the event of the plan winding up, though this is not expected to crystallise. The Board of Trustees have, however, decided to designate funds for this contingent liability. See notes 18 and 28 for further details.

k) Operating leases

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

l) Provisions

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

2. Voluntary income

			2011	2010
	Unrestricted	Restricted	Total	Total
	£000	£000	£000	£000
Donations				
Regular giving, donations and appeals	24,843	2,935	27,778	26,528
Legacies	1,948	-	1,948	2,537
Fundraising events	<u>2,732</u>	<u>-</u>	<u>2,732</u>	<u>2,983</u>
	<u>29,523</u>	<u>2,935</u>	<u>32,458</u>	<u>32,048</u>
Grants				
UKaid from the Department for International Development - Programme Partnership Agreement	1,020	-	1,020	1,680
Dutch Ministry for Foreign Affairs	<u>537</u>	<u>-</u>	<u>537</u>	<u>537</u>
	<u>1,557</u>	<u>-</u>	<u>1,557</u>	<u>2,217</u>
Gifts in kind				
Customer appeal	130	-	130	113
Audit fee	25	-	25	25
Rent	21	-	21	36
Events (prizes, venues)	8	-	8	1
Professional Services (UK)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
	<u>184</u>	<u>-</u>	<u>184</u>	<u>176</u>
Total	<u><u>31,264</u></u>	<u><u>2,935</u></u>	<u><u>34,199</u></u>	<u><u>34,441</u></u>

3. Activities for generating funds

			2011	2010
	Unrestricted	Restricted	Total	Total
	£000	£000	£000	£000
Lottery	679	-	679	723
Trading company	<u>270</u>	<u>39</u>	<u>309</u>	<u>851</u>
Total	<u><u>949</u></u>	<u><u>39</u></u>	<u><u>988</u></u>	<u><u>1,574</u></u>

In 2010 trading company income included £0.4m income from Hennes & Mauritz (H&M). In 2011 the licensing agreement was reassigned to WaterAid in Sweden and the income is included in note 4 income from Other WaterAids.

4. Incoming resources from charitable activities

Grant funding for specific charitable activities		2011	2010	
	Unrestricted Note	Restricted £000	Total £000	Total £000
Supporting partners to deliver water, sanitation and hygiene				
UKaid from the Department for International Development	-	179	179	155
UKaid from the Department for International Development - India IPAP	-	184	184	262
UKaid from the Department for International Development - Malawi Partnership Grant Arrangement	-	238	238	295
European Commission	-	1,802	1,802	1,497
Other WaterAids	26	30	5,520	2,143
Unicef	-	890	890	167
UN Habitat	-	85	85	111
Swiss Agency for Development and Cooperation	-	444	444	467
The Band Aid Charitable Trust	-	216	216	343
Big Lottery Fund	-	123	123	109
Overseas Development Institute	-	-	-	31
Terre Nouvelle	-	47	47	120
Ensemble Foundation	-	26	26	-
Prana Stiftung	-	70	70	80
Irish Aid	-	119	119	115
EXPO	-	-	-	95
Water & Sanitation for the Urban Poor	-	80	80	107
Jersey Overseas Aid Commission	-	130	130	194
Isle of Man Overseas Aid Commission	-	100	100	-
States of Guernsey Aid Commission	-	58	58	120
Other grants	-	1,353	1,353	1,276
	<u>30</u>	<u>11,634</u>	<u>11,664</u>	<u>7,687</u>
Influencing policy in water, sanitation and hygiene				
UKaid from the Department for International Development - Governance and Transparency	-	919	919	817
UKaid from the Department for International Development - Strategic Grant Agreement	-	338	338	178
European Commission	-	(42)	(42)	859
	<u>-</u>	<u>1,215</u>	<u>1,215</u>	<u>1,854</u>
Total	<u><u>30</u></u>	<u><u>12,849</u></u>	<u><u>12,879</u></u>	<u><u>9,541</u></u>

5. Resources Expended

	Note	Staff costs £000	Other direct costs £000	Depreciation £000	Allocation of support costs £000	2011 Total £000	2010 Total £000
<i>Cost of generating funds</i>							
Costs of generating voluntary income		3,194	7,344	37	606	11,181	10,729
Fundraising trading		<u>36</u>	<u>64</u>	<u>-</u>	<u>-</u>	100	116
		3,230	7,408	37	606	11,281	10,845
<i>Charitable Activities</i>							
Supporting partners to deliver water, sanitation and hygiene	7	6,829	22,733	561	2,749	32,872	28,463
Influencing policy in water, sanitation and hygiene		<u>2,418</u>	<u>3,526</u>	<u>83</u>	<u>171</u>	6,198	5,504
		9,247	26,259	644	2,920	39,070	33,967
Governance		260	125	2	29	416	420
Support costs		<u>1,526</u>	<u>2,029</u>	<u>-</u>	<u>(3,555)</u>	-	-
		<u>14,263</u>	<u>35,821</u>	<u>683</u>	<u>-</u>	50,767	45,232

Support costs have been allocated on the basis of staff numbers in each area of activity. These staff numbers are listed in note 6 to the financial statements.

The support costs allocated were as follows:

	2011 Total £000	2010 Total £000
Finance, Human Resources, IT and Systems	2,471	2,439
Change for growth programme	-	82
Chief Executive Office and internal audit	226	225
Premises and facilities	858	875
	<u>3,555</u>	<u>3,621</u>

6. Staff costs and numbers

Staff costs for the charity and group were as follows:

	2011	2010
	£000	£000
Salaries and wages	12,430	11,436
Social security costs	755	684
Pension costs	1,078	650
	<u>14,263</u>	<u>12,770</u>

WaterAid makes contributions for its employees to defined contribution schemes operated by The Pensions Trust and Scottish Equitable. The contributions made in the financial year are detailed above. The amount outstanding to The Pensions Trust at 31st March 2011 was £2,950 (2010: £32,970) and the amount outstanding to Scottish Equitable was £59,715 (2010: Nil)

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2011	2010
	No.	No.
£60,000 - £70,000	2	1
£70,000 - £80,000	5	4
£110,000 - £120,000	1	1
	<u>1</u>	<u>1</u>

Contributions of £54,838 (2009: £56,790) have been paid into pension schemes on behalf of the above employees.

The emoluments paid to the Chief Executive were £110,188 (2009: £107,500). Emoluments include salary and taxable benefits in kind.

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

	2011	2010
	No.	No.
Fundraising staff (cost of generating funds)	95	88
International programmes staff (supporting partners to deliver water, sanitation and hygiene)	448	453
Policy and Campaigns staff (working to influence policy in water, sanitation and hygiene)	27	30
Support staff	32	32
Governance	4	4
	<u>606</u>	<u>607</u>

7. Charitable Activities expenditure by location

	Unrestricted	Restricted	2011 Total £000	2010 Total £000
West Africa				
Ghana	874	489	1,363	1,141
Nigeria	671	1,465	2,136	1,705
Mali	364	857	1,221	1,328
Burkina Faso	825	1,116	1,941	1,900
Liberia	153	90	243	114
Niger	63	110	173	97
Sierra Leone	11	96	107	50
West Africa Regional	-	124	124	109
Regional management and support costs	515	-	515	427
	3,476	4,347	7,823	6,871
East Africa				
Ethiopia	1,457	1,073	2,530	2,193
Uganda	871	419	1,290	1,241
Tanzania	1,445	741	2,186	1,858
Kenya	34	11	45	11
Rwanda	-	115	115	15
Regional management and support costs	258	-	258	286
	4,065	2,359	6,424	5,604
Southern Africa				
Angola	-	47	47	-
Zambia	1,310	241	1,551	1,049
Malawi	686	896	1,582	1,106
Madagascar	989	591	1,580	1,442
Mozambique	772	1,190	1,962	1,904
Regional management and support costs	333	-	333	276
	4,090	2,965	7,055	5,777
Asia				
India	1,470	1,498	2,968	2,575
Bangladesh	1,454	1,440	2,894	2,539
Pakistan	339	386	725	492
Nepal	824	1,546	2,370	1,122
Regional management and support costs	259	-	259	239
	4,346	4,870	9,216	6,967
Fresh Water Action Network (FAN)	488	745	1,233	1,891
Other UK direct international programme support costs (including technical and programme effectiveness)	1,924	388	2,312	1,802
UK based policy, campaigns and education costs	2,087	-	2,087	2,014
Allocated UK support costs to charitable activities	2,920	-	2,920	3,041
Total	23,396	15,674	39,070	33,967

The total costs of supporting partners to deliver water, sanitation and hygiene was £32.9m and the costs of influencing policy in water, sanitation and hygiene was £6.2m - see note 5

Fresh Water Action Network works through partners across Africa, Asia, Central America and Latin America.

The management and support teams for African regions will relocate to offices in West, Southern and East Africa in 2011/12.

8. Payments to partner organisations

The top 50 financial grant recipients in 2010/11 are listed below. These grants are included in the charitable expenditure outlined in notes 5 and 7.

	Name of Partner	£000	Country
1	Nepal Water For Health	1,596	Nepal
2	Association pour la Valorisation des Ressources Naturelles a l'Auto-promotion	530	Burkina Faso
3	Small Town Water Supply and Sanitation Agency	282	Nigeria
4	Dushtha Shasthya Kendra	278	Bangladesh
5	Sustainable Environment Management Action	273	Tanzania
6	TDFT	245	Tanzania
7	Enugu Small Towns Unit	234	Nigeria
8	Green Hill	234	Bangladesh
9	HAPA	203	Tanzania
10	Village Education Resource Centre	201	Bangladesh
11	Population Service and Training Centre	182	Bangladesh
12	Association les Mains Unies du Sahel	168	Burkina Faso
13	Association DAKUPA	168	Burkina Faso
14	DMDD	160	Tanzania
15	Masindi District Local Government	154	Uganda
16	Lumanti Support Group For Shelter	131	Nepal
17	ESTAMOS Maputo	126	Mozambique
18	Nabolok	120	Bangladesh
19	Wera Development Association	104	Uganda
20	PAMODZI	93	Mozambique
21	Busoga Trust	91	Uganda
22	New Energy	90	Ghana
23	Ethiopian Evangelical Church Mekane Yesus- Dita	88	Ethiopia
24	MAMADO	87	Tanzania
25	Estamos Lichinga	83	Mozambique
26	Centre for World Solidarity	82	India
27	Engineering Consulting Associates - Miandrivazo	82	Madagascar
28	Work for Rural Health	81	Malawi
29	Professional Network Association - Wa	80	Ghana
30	HOPE-2020	80	Ethiopia
31	Dhaka Ahsania Mission	79	Bangladesh
32	Centre For Integrated Urban Development	77	Nepal
33	Ethiopian Orthodox Church - DEMBIA	74	Ethiopia
34	Rural Aid	73	Ghana
35	Coalition pour l'Approvisionnement en Eau Potable	73	Mali
36	SAF/FJKM - Vinaninony	72	Madagascar
37	Society For Social Unity and Development	72	India
38	Rupantar	71	Bangladesh
39	Church of Central Africa Presbyterian	70	Malawi
40	Association de Recherche - Action Femme et Développement	69	Mali
41	Caritas - Tsaraotana	69	Madagascar
42	Akuapem Community Development Programme	68	Ghana
43	Action Micro Barrage	67	Burkina Faso
44	Gram Vikas	67	India
45	Unnayan Sahojogi Team	65	Bangladesh
46	Association Libre pour la Promotion de l'Habitat et du Logement	65	Mali
47	Rangpur Dinajpur Rural Service	64	Bangladesh
48	United Artists Association	63	India
49	Tioribougou	63	Nigeria
50	ZIBIKA	63	Bangladesh
		7,709	

9. Fixed assets

The group and charity	Intangible	Tangible Assets		Totals
	Assets	Motor	Equipment	
	Software	vehicles	and	
	£000	£000	furniture	£000
Cost				
At 1 April 2010	204	1,707	1,948	3,859
Additions in year	38	418	445	901
Disposals in year	-	(177)	(71)	(248)
At 31 March 2011	<u>242</u>	<u>1,948</u>	<u>2,322</u>	<u>4,512</u>
Depreciation/Amortisation				
At 1 April 2010	136	1,510	1,561	3,207
Charge for the year	45	314	324	683
Disposals in year	-	(165)	(67)	(232)
At 31 March 2011	<u>181</u>	<u>1,659</u>	<u>1,818</u>	<u>3,658</u>
Net book value				
At 31 March 2011	<u>61</u>	<u>289</u>	<u>504</u>	<u>854</u>
At 1 April 2010	<u>68</u>	<u>197</u>	<u>387</u>	<u>652</u>

10. Debtors

Amounts due within one year:	The group		The charity	
	2011	2010	2011	2010
	£000	£000	£000	£000
Amount due from WaterAid Trading Limited	-	-	286	234
Gift Aid tax recoverable	1,061	1,452	1,061	1,452
Accrued income	670	1,040	670	998
Prepayments	303	272	303	272
Grant debtors	3,713	2,348	3,713	2,348
Other debtors	536	505	454	387
	<u>6,283</u>	<u>5,617</u>	<u>6,487</u>	<u>5,691</u>

11. Short term investments

	The group		The charity	
	2011	2010	2011	2010
	£000	£000	£000	£000
Funds held on short term deposits	<u>5,328</u>	<u>9,835</u>	<u>5,328</u>	<u>9,835</u>
Shares				
Opening value at market value	6	5	6	5
Donated shares at market value	1	25	1	25
Disposals	(11)	(25)	(11)	(25)
Gain/ (loss) on investments	<u>4</u>	<u>1</u>	<u>4</u>	<u>1</u>
	<u>-</u>	<u>6</u>	<u>-</u>	<u>6</u>
	<u>5,328</u>	<u>9,841</u>	<u>5,328</u>	<u>9,841</u>

The historical cost of the shares held as short term investments was £191 (2010: £5,145)

12. Fixed asset investments

The company has an unlisted investment with a historical cost of £2 representing its 100% shareholding in WaterAid Trading Ltd. WaterAid Trading Ltd is a company registered in England, which sells Christmas cards and other goods. It also generates income from licensing agreements made with a number of organisations. A summary of that company's financial position is set out in note 13.

13. WaterAid Trading Ltd

a) Profit and loss account	2011 £000	2010 £000
Turnover	308	850
Cost of sales	<u>(55)</u>	<u>(99)</u>
Gross profit	<u>253</u>	<u>751</u>
Administrative expenses	<u>(55)</u>	<u>(55)</u>
Operating profit	198	696
Interest receivable	-	-
Interest payable	<u>(3)</u>	<u>(5)</u>
Profit on ordinary activities	195	691
Deed of covenant to WaterAid	<u>(195)</u>	<u>(691)</u>
Retained Earnings	<u>-</u>	<u>-</u>
b) Balance sheet	2011	2010
	£000	£000
Current assets		
Debtors	83	160
Cash at bank and in hand	<u>244</u>	<u>116</u>
	327	276
Creditors		
Amounts due within one year	<u>(327)</u>	<u>(276)</u>
	<u>-</u>	<u>-</u>
Represented by:		
Share capital	<u>-</u>	<u>-</u>

WaterAid Trading Limited has a share capital of two £1 ordinary shares.

14. Cash at bank and in hand

	The group		The charity	
	2011 £000	2010 £000	2011 £000	2010 £000
Cash and bank balances in UK	4,331	3,234	4,087	3,118
Cash and bank balances overseas	3,654	2,460	3,654	2,460
	<u>7,985</u>	<u>5,694</u>	<u>7,741</u>	<u>5,578</u>

15. Creditors: amounts falling due within one year

	The group		The charity	
	2011 £000	2010 £000	2011 £000	2010 £000
Trade creditors	2,098	1,463	2,098	1,440
Tax and social security	322	284	300	271
Accruals	1,388	981	1,388	975
Deferred income	522	565	504	565
Other creditors	142	54	142	54
	<u>4,472</u>	<u>3,347</u>	<u>4,432</u>	<u>3,305</u>

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

The movements in deferred income are analysed as follows:

Group and Charity	2011 £000	2010 £000
Deferred income at 1 April	565	672
Amounts released from previous years	(565)	(672)
Incoming resources deferred in the year	<u>522</u>	<u>565</u>
	<u>522</u>	<u>565</u>

16. Provisions for liabilities and charges

	The group		The charity	
	2011 £000	2010 £000	2011 £000	2010 £000
Provisions at 1 April	317	434	317	434
Amount released to statement of	(303)	(312)	(303)	(312)
Amount charged to statement of	<u>474</u>	<u>195</u>	<u>474</u>	<u>195</u>
Provisions at 31 March	<u><u>488</u></u>	<u><u>317</u></u>	<u><u>488</u></u>	<u><u>317</u></u>

Provisions include end of contract provisions for staff on non-UK contracts.

17. Contingent liability

During the 2008/09 Tanzania Revenue Authority carried out a tax audit on WaterAid Tanzania accounts for 2004/05 to 2007/08. WaterAid Tanzania has been served notices for payment of back taxes. WaterAid Tanzania has had legal advice that they should be exempt from these payments and has requested that the amount claimed of £0.2m be waived. It is considered likely the waiver will be obtained and therefore no provision for payment is made in these accounts, however no decision has been made by the Commissioner for Domestic Revenue in 2011. There is also a pension contingent liability of £0.3m (2010: £0.3m) as detailed in note 28. A designated fund has been created for this.

18. Movements in funds

	At 1 April 2010 £000	Incoming resources £000	Outgoing resources £000	Transfers £000	At 31 March 2011 £000
Unrestricted funds:					
<i>Designated funds:</i>					
Tangible fixed asset	652	203	-	-	855
Pension	312	-	-	18	330
<i>Total designated funds</i>	964	203	-	18	1,185
<i>General funds</i>	15,426	32,091	(35,093)	(18)	12,406
Total unrestricted funds	16,390	32,294	(35,093)	-	13,591
Restricted funds:					
Angola	-	68	(47)	-	21
Bangladesh	49	1,594	(1,440)	-	203
Burkina Faso	377	602	(1,116)	-	(137)
Ethiopia	132	1,033	(1,073)	-	92
Freshwater Action Network	(115)	860	(745)	-	-
Ghana	2	487	(489)	-	-
India	147	1,555	(1,498)	53	257
Kenya	-	11	(11)	-	-
Liberia	-	90	(90)	-	-
Madagascar	45	507	(591)	53	14
Malawi	43	821	(896)	-	(32)
Mali	-	691	(857)	53	(113)
Mozambique	227	1,342	(1,190)	-	379
Nepal	78	2,094	(1,546)	-	626
Niger	47	63	(110)	-	-
Nigeria	342	1,404	(1,465)	-	281
Pakistan	-	503	(386)	-	117
Rwanda	-	130	(115)	-	15
Sierra Leone	-	126	(96)	-	30
Tanzania	60	712	(741)	-	31
Uganda	114	367	(419)	53	115
West Africa	-	124	(124)	-	-
Zambia	22	219	(241)	-	-
UK	180	208	(388)	-	-
SH02P for Life	-	212	-	(212)	-
Total restricted funds	1,750	15,823	(15,674)	-	1,899
Total funds	18,140	48,117	(50,767)	-	15,490

Included in the restricted funds are programme funds in deficit at year end on specific contracts which total £0.3m (2010 - £0.3m). This is due to the timing differences between the income due under individual donor contracts still to be claimed and the actual project expenditure already incurred.

Within the restricted funds there has been Big Lottery Fund income and expenditure for Ethiopia. Ethiopia received £0.01m income from Big Lottery in 2010/11.

Included in the restricted funds there has been income and expenditure relating to the DFID Governance and Transparency Fund. The total income received in 2011 was £0.92m (2010 - £0.82m) and the total expenditure in the UK and country programmes was £0.94m (2010 - £0.9m)

18. Movements in funds continued

The Board of Trustees report explains the main reasons why the group and the charity holds unrestricted funds and the adequacy of these funds at the year end. The reserves policy is reviewed on an annual basis

Designated funds

The Fixed Asset Fund of £0.85m represents the net book value of WaterAid's intangible and tangible fixed assets.

In 2008/09 the Board of Trustees designated a pension fund representing the contingent liability stated in note 28.

General funds

The Board of Trustees has set a target operational reserve within the general funds to enable WaterAid to meet the potential costs related to any corporate risks materialising. The rationale for these reserves is discussed in the Trustees' Report and the operational reserve required for 2011/12 is £11.1m against an actual balance of £12.4m.

Restricted funds

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

Negative balances carried forward

Negative balances are only carried forward on funds where there is a reasonable expectation that funds will be received in a future period from a donor or funder to meet the costs already incurred.

19. Analysis of group net assets between funds

	Fixed assets £000	Net current assets £000	Total funds £000
Restricted funds	-	1,899	1,899
Designated funds	855	330	1,185
General funds	-	12,406	12,406
Total funds at 31 March 2011	855	14,635	15,490

20. Taxation and charitable status

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary WaterAid Trading Ltd pays available profits to the charity under deed of covenant. Its charge to corporation tax in the year was nil (2010: nil).

21. Company limited by guarantee

The liability of 48 members of the charity is limited by guarantee to £1 each.

22. Operating lease commitments

The group had annual commitments at the year end under operating leases expiring as follows:

	Other		Land & Buildings	
	2011 £000	2010 £000	2011 £000	2010 £000
1 - 2 Years	51	-	-	368
2 - 5 Years	-	15	-	-
More than 5 years	-	-	402	-
	<u>51</u>	<u>15</u>	<u>402</u>	<u>368</u>

23. Net (loss)/income

This is stated after charging:

	2011 £000	2010 £000
Depreciation	683	651
Trustees' remuneration	-	-
Trustees' indemnity insurance	4	4
Trustees' reimbursed expenses	3	3
Auditors' remuneration:		
▪ Audit- company	26	32
▪ Audit - subsidiary company	6	6
▪ Audit - gift in kind	25	25
▪ Other services	10	10
Exchange loss/ (gain)	585	375
Operating lease rentals - buildings:	402	368
Operating lease rentals - office equipment:	<u>51</u>	<u>15</u>

Travel and accommodation expenses were reimbursed to five members of the Board of Trustees in 2010/11. In 2009/10 four Trustees also received such expenses.

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

Total global statutory and project audit fees in 2010/11 was £226,000 (2009/10: £239,000) including £32,000 for the WaterAid statutory audit provided by the external auditors PwC.

24. Funds held as a custodian for The Water Dialogues

	2011	2010
	£000	£000
Funds at the start of the year	3	58
Income received on behalf of The Water Dialogues	-	8
Expenditure incurred on behalf of The Water Dialogues	(3)	(63)
Funds at the end of the year	<u>-</u>	<u>3</u>

Funds held on behalf of The Water Dialogues were as follows:

	2011	2010
	£000	£000
Current assets		
Debtors	-	-
Cash at bank	-	8
	<u>-</u>	<u>8</u>
Creditors		
Amounts due within one year	-	(5)
	<u>-</u>	<u>(5)</u>
Funds held for The Water Dialogues	<u>-</u>	<u>3</u>

The Water Dialogues was a multi-stakeholder international Working Group that undertook their activities through a series of national stakeholder dialogues and research processes. It ceased to operate during 2010 with the balance of funds transferred to WaterAid.

In accordance with the SORP, these transactions are considered to represent conduit funding and, as such, are not included in the group's SOFA.

25. Holding company

There is no ultimate holding company of WaterAid.

26. Related party transactions

WaterAid in America and WaterAid in Australia are Members operating under license to use the name WaterAid. They share the same objectives and vision as WaterAid in UK. WaterAid in UK receives funding for its charitable objectives from WaterAid in America and WaterAid in Australia. WaterAid in UK gives funding to WaterAid in America and WaterAid in Australia for programmatic, organisational and fundraising development. Currently the chair and a trustee of WaterAid in UK sit on the Board of WaterAid in America and the Chief Executive of WaterAid in UK sits on the Board of WaterAid in Australia whilst the chairs of WaterAid in Australia and WaterAid in America sit on the Board of WaterAid in UK. Transactions between WaterAid in UK and its related Members were as follows:

	2011	2010
	£000	£000
Received from:		
WaterAid America	1,317	2,005
WaterAid Australia	3,692	93
	5,009	2,098
Paid to:		
WaterAid America	219	219
WaterAid Australia	200	200
	419	419

WaterAid in Sweden became a Member operating under licence to use the name WaterAid in June 2009. There are no common trustees and hence no related party transactions to be disclosed. For information in 2010/11 WaterAid in UK received £0.5m from WaterAid in Sweden and paid £0.2m to WaterAid in Sweden.

Paula Laird, the Director of Finance and IT is a trustee of Mango. Transactions between WaterAid in UK and Mango in 2010/11 were £2,522. Girish Menon the Director of International Programmes, is a Director of Water & Sanitation for the Urban Poor (WSUP). During 2010/11 WaterAid in UK paid £25,289 to WSUP and WaterAid received £79,683 in funding from WSUP.

27. Post balance sheet events

In July 2011 the WaterAid marks and name were transferred to WaterAid International. WaterAid in the UK and other WaterAid Members are now licensed by WaterAid International to use the name and to delivery the Global Strategy.

28. Pension costs

Water Aid operates two defined contribution schemes in the UK. The assets of the schemes are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the charity to the funds and amounted to £596,925 (2010: £424,056). Contributions totalling £62,665 (2010: £32,970) were payable to the funds at the year end and are included in creditors. There are 10 country programmes with defined contribution pension schemes.

Pension obligation - Growth Plan

WaterAid participates in the Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted out of the state scheme. The Growth Plan is a multi-employer pension plan.

Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The rules of the Growth Plan allow for the declaration of bonuses and / or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses / investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.

The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Growth Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Growth Plan state that the proportion of obligatory contributions to be borne by the Member and the Member's Employer shall be determined by agreement between them. Such agreement shall require the Employer to pay part of such contributions and may provide that the Employer shall pay the whole of them.

WaterAid paid contributions at the rate of 5-10% during the accounting period. Members paid contributions at the rate of 0-10% during the accounting period.

As at the balance sheet date there were 9 active members of the Plan employed by WaterAid. WaterAid has closed the Plan to new entrants.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. Growth Plan is a multi-employer scheme where the scheme assets are co-mingled for investment purposes, and benefits are paid from the total scheme assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

28. Pension costs continued

The last valuation of the Scheme was at 30 September 2008 and was performed by a professionally qualified actuary using the Protected Unit Method. The market value of the Scheme's assets at the valuation date was £742 million and the Plan's Technical Provisions (i.e. the past service liabilities) were £771 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £29 million, equivalent to a funding level of 96%.

The financial assumptions underlying the valuation as at 30 September 2008 were as follows:

	% per annum
- Investment return pre retirement	7.6
- Investment return post retirement	
Actives/Deferreds	5.1
Pensioners	5.6
- Bonuses on accrued benefits	0
- Rate of price inflation	3.2

In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

The Scheme Actuary has prepared a funding position update as at 30 September 2010. The market value of the Plan's assets at that date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £825 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £45 million, equivalent to a funding level of 95%.

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

In view of the small funding deficit and the level of prudence implicit in the assumptions used to calculate the Plan liabilities the Trustee has prepared a recovery plan on the basis that no additional contributions from participating employers are required at this point in time. In reaching this decision the Trustee has taken actuarial advice and has been advised that the shortfall of £29 million (as at 30 September 2008) will be cleared within 10 years if the investment returns from assets are in line with the "best estimate" assumptions. "Best estimate" means that there is a 50% expectation that the return will be in excess of that assumed and a 50% expectation that the return will be lower than that assumed over the next 10 years. These "best estimate" assumptions are 8.4% per annum pre retirement and 5.1% per annum post retirement (actives and deferreds) and 5.6% per annum post retirement (pensioners).

28. Pension costs continued

The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and / or recovery plan are inappropriate. For example the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2008 valuation was forwarded to the Pensions Regulator on 18 December 2009, as required by the legislations.

The next full actuarial valuation will be carried out as at 30 September 2011.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan. The Trustee's current policy is that it only applies to employers with pre October 2001 liabilities in the Plan. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Plan's pre October 2001 liability attributable to employment with the leaving employer compared to the total amount of the Plan's pre October 2001 liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

WaterAid has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2010. As of this date the estimated employer debt for WaterAid was £330,429 (2009 - £312,253)

Thank you

We would like to express our thanks to everyone who gave so generously to support WaterAid's work over the course of the year. Thank-you to the many thousands of individual supporters, community groups and the following organisations who gave significant support to allow us to deliver our work in 2010/11

@OneAlliance
4Delivery Ltd
ADSM
Air Technology Systems
Al Khubairat British School, Abu Dhabi
Allegra Foundation (UK Coffee Week)
Anglian Water Services Ltd
Aveda
Axon
Balfour Beatty Utility Solutions
Barclays Bank
Barclays Bank (Ghana) Ltd
Barclays Capital
Barhale Construction Plc
Big Lottery Fund
Big National Ceilidh organisers
Biwater
Black & Veatch Ltd
Bristol Water Plc
British Water
Byzak Ltd
Cambridge Water
CIWEM
Clancy Docwra
Clifford Chance Foundation
Clyde & Co
Cobra Foundation
Consolidated Contractors Company
Corporate Mobile Recycling
Costain Ltd
DAWSON WAM
Decanter
Diageo Africa
Dubai Cares
Dŵr Cymru Welsh Water
Ecover UK
Elm Capital Associates
Environment Agency
European Commission
Evolution Festival
FANCL
Fastflow Pipeline Services
Faversham House Group

Fondation Ensemble
Frampton Cotterell and Coalpit Heath Group
Galliford Try and Imtech
General Panel Systems Ltd
Georg and Emily von Opel Foundation
GHA Livigunn
Glastonbury Festivals Ltd
Glastonbury Pilgrimage Association
Government of Bangladesh
Gowland and Dawson Limited
Hennes and Mauritz AB
Herbert Smith LLP
HS Works
Hudson and Yorke Ltd
Hunter Boot Ltd
Hydro International
Institute of Water
IPLOCA
Irish Aid
Isle of Man Overseas Aid Committee
Japan Water Forum
Jersey Overseas Aid Commission
JN Bentley Limited
KBR
KMI Plus
KPMG
Lumsden & Carroll Construction Limited
Mace Group
Matki Plc
May Gurney
Mildren Construction Ltd
Miller Brands
Ministry of Foreign Affairs, The Netherlands
Morgan Sindall Group plc
Mott MacDonald
MWH
Nalco
NMCNomenca
Northern Ireland Water
Northumbrian Water Limited
OFWAT
Paperchase
Pictet & Cie
Portsmouth Water Ltd
PRANA-Stiftung
Rainwater Harvesting Implementation Network
Research in Motion/BlackBerry
Rotary Club of Dar es Salaam
Rotork Plc
SABMiller plc

Save the Children Finland
Scottish Water
Scottish Water Solutions
Sembcorp Bournemouth Water
Severn Trent Water
ShareGift
Sightsavers
Simavi
Sing for Water organisers
Sing for Water West
South East Water Ltd
South Staffordshire Water
South West Water Ltd
Southern Water
Specialist Services
States of Guernsey Overseas Aid Commission
Supporting Clubs within Lions International Multiple District 105
Supporting Clubs within Rotary International Great Britain and Ireland
Supporting Clubs within Soroptimist International of Great Britain and Ireland
Supporting Clubs within the Association of Inner Wheel Great Britain and Ireland
Sutton and East Surrey Water
Swiss Agency for Development and Cooperation
Tap into WaterAid participants
Taylormaid Industries Ltd
Tearfund
Terre Nouvelle
Thames Water Utilities Ltd
The Alchemy Foundation
The Allan & Nesta Ferguson Charitable Trust
The Band Aid Charitable Trust
The Bank of New York Mellon
The Co-operative Bank
The Ernest Ingham Charitable Trust
The Foster Wood Foundation
The Grimmitt Trust
The Headley Trust
The Lotus Foundation
The Mayor's Thames Festival
The New English School, Kuwait
The Prem Rawat Foundation
The Publican
The Ranworth Trust 1985
The Stanley Thomas Johnson Foundation
The Tolkien Trust
The Treeside Trust
The TYF Group Ltd
The Waterloo Foundation
TORM
Tyco Waterworks
UBS AG

UKaid from the Department for International Development
UN-HABITAT
UNICEF
UNISON
United Utilities
UNOPS
USAID
Veolia Water Central
Veolia Water East
Veolia Water Southeast
Veolia Water UK
Vitol Charitable Foundation
Water and Sanitation for the Urban Poor
Water Supply and Sanitation Collaborative Council
WaterAid Rutland Fundraising Group
Waterstone's
Wessex Water
Whitbread Hotels and Restaurants
Woodmansterne Publications
World Health Organization
Yorkshire Water