

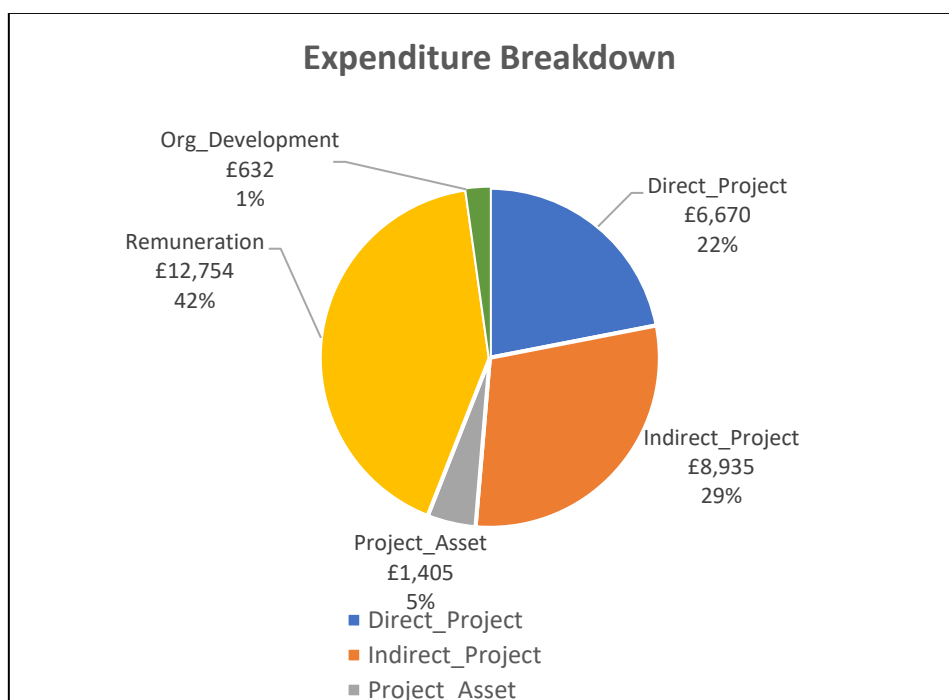
Financial Statements 2018/19

Financial Review

We are grateful to our main donor UK Aid for supporting our projects in 2018 with grants of £21,411, of which £5,000 was a residual grant from 2017 and £4,980 is an advance for the continuation of the project in 2019. We are also grateful to the Jephcott Charitable Foundation for their grant of £10,200, awarded in 2017, to help match the UKAid funding. £6,600 of that grant was used this year with the remaining £3,600 transferred to support projects in 2019. In addition, we were able to utilise £10,520 raised from the 2017 Big Give Christmas Challenge, which was championed by the Waterloo Foundation to the tune of £3,120.

We were successful in raising £7,386 from private donations and would particularly like to thank Oliver Rubins for raising in excess of £850 as part of a social action project in his bar mitzvah year and to the family of our former Chair, Tim Bell, for raising in excess of £1,100 in a memorial fund. We have also included £1,020 in our main fund raised from the village contributions towards the cost of the construction of the water point and latrines.

Water Works continues to offer excellent value for money with over 99% of funds being spent on project costs. Direct project payments for the year accounted for 22% (£6,670) of total spend, which included the costs of the hygiene programme materials, construction materials, tools and transportation of the tools and materials. The remuneration of the Water Works team accounted for 42% (£12,754), which was used to hire 3 members of the management team, 6 members of the construction team, 6 members of well digging teams, and the 7 members of the hygiene team. The indirect project payments totalled 29% (£8,935), which included costs associated with charity registration in Malawi, international and domestic travel, office rent and accommodation and office supplies. The purchase of project assets this year accounted for 5% (£1,405), which included the Mzuzu manual drill for well digging and an upgrade of our 3 motor cycles. Non-project administrative costs totalled under 1% (£632), which included website hosting, financial services, attending conferences and meetings, and fundraising costs.



Receipts and Payments for the year ending 31st March 2019

Receipts	Unrestricted Funds (£)	Restricted Funds (£)	Year Ended 31/03/2019 (£)	Year Ended 31/03/2018 (£)
Grants	0	21,411	21,411	82,976
Donations	7,389	0	7,389	13,543
Water point repair fund	0	1,020	1,020	0
Other	55	0	55	0
Total Receipts	£7,444	£22,431	£29,875	£96,519

Payments	Unrestricted Funds (£)	Restricted Funds (£)	Year Ended 31/03/2019 (£)	Year Ended 31/03/2018 (£)
Direct Project	16	6,656	6,670	15,122
Hand Washing Facilities	0	61	61	226
Hygiene Programme Materials	0	138	138	391
Latrine Construction	0	1,881	1,881	5,983
Tools and Equipment	15	806	821	1,470
Transportation of Tools and Materials	1	1,084	1,085	1,382
Well Construction	0	1,830	1,830	5,134
Well Reparation	0	698	698	187
Workshops and Trainings	0	158	158	349
Indirect Project	1,050	7,899	8,949	10,156
Charity Registration and Insurance	0	900	900	578
Communication	16	310	326	631
In Country Travel	829	2,188	3,017	2,503
International Travel and Freight	0	2,205	2,205	670
Office Rent and Accommodation	0	2,217	2,217	4,785
Registration	0	0	0	312

Visibility	130	0	130	69
Workshops and Meetings	75	81	156	608
Project Asset	80	1,325	1,405	906
Bicycles	0	0	0	176
Motor Vehicles	0	792	792	490
Office Equipment	0	22	22	0
Tools and Machinery	80	511	591	240
Remuneration	302	12,452	12,754	41,582
Cash for Work	21	33	54	295
Construction Team	126	2,949	3,075	9,096
Hygiene Team	12	792	804	2,815
Management Team	142	8,679	8,821	29,375
Sub Grants	0	0	0	7,898
Independent Evaluation	0	0	0	7,898
Organisational Development	387	245	632	428
Communications	12	11	23	0
Financial Services	60	0	60	60
Fundraising	82	0	82	158
Workshops, Meetings and Trainings	233	234	467	210
Grand Total	£1,835	£28,562	£30,411	£76,091

Statement of Balances as at 31st March 2019

Balances	Unrestricted Funds (£)	Restricted Funds (£)	Year Ended 31/03/2019 (£)	Year Ended 31/03/2018 (£)
Opening Balance	5,178	20,192	25,370	4,710
Surplus / (Deficit) for the year	5,454	(5,980)	(536)	20,429
Closing Balance	10,632	14,212	24,834	25,139*

* There was £232 discrepancy (extra money in bank) in the closing balance for 2018. There were also currency fluctuations in the value of the cash held in kwacha between the financial years.

Bank and Cash Balances

	Year Ended 31/03/2019 (£)	Year Ended 31/03/2018 (£)
Charities Aid Foundation – Cash Account	1,820	422
Charities Aid Foundation – Savings Account	17,803	22,785
Fair FX – Cash Advance Account	4	30
Cash in hand (GBP)	4,700	0
Cash in hand (MWK)	507	2,133
Closing Balance	£24,834	£25,370

Assets (with a value of over £100)

Assets	FY 2018/2019		FY 2012/2013 to FY2016/2017		Accumulated Depreciation*
	Units	Total Purchase Value (£)	Units	Total Purchase Value (£)	
Bicycle			15	846	(690)
Concrete Ring Mould			4	1,476	(1,145)
Generator			3	732	(590)
Mobile Phone	1	80	3	366	(292)
Motorcycle		792	3	2,046	(1,434)
Pick Up Truck			1	10,696	(2,898)
Printer			1	145	(97)
Submersible Drainage Pump	1	70	3	805	(579)
Water Testing Kit			1	1,982	(1,803)
Water Point manual drill	1	307			
Closing Balance	3	£1,249	34	£19,094	(£9,528)

*All the above assets, apart from the pick-up truck, are calculated to depreciate each year by 33%. The pick-up truck's annual depreciation is calculated at 10%. The pick-up truck was purchased from a UKAID grant and is liable to be recalled at the end of UKAID funded projects.

The value of Water Works assets taking account of depreciation is £10,815. In the financial year 2018/19, the following assets were disposed of:

- Several bicycles which were damaged beyond repair.

(Note: as these are receipts and payments accounts, depreciation is not adjusted for in the financial statements)

Liabilities

	Year Ended 31/03/2019 (£)	Year Ended 31/03/2018 (£)
Independent examination fee	(420)	0
Closing Balance	(£420)	£0

Reserves Policy

Water Works aims to hold a reserves fund of £15,000, which would enable project activities to continue for a period of 2 to 3 months in times of cash flow difficulties. At the end of this financial period, after taking account of the funding required to match the UKAID grant, we have achieved reserve funds of £10,104.

Fundraising Strategy

A second instalment of £38,377 from the grant from UKAID's Small Charities Challenge Fund (SCCF), together with the matched funding of £9,750 will enable us to continue to provide assistance to 14 new villages in 2019. Some of the funding will be targeted on the sustainability of the projects in villages we have worked in since 2010.

We plan to participate in the Big Give Christmas Challenge in 2019 with a target of raising £12,000. Consideration will also be given to applying for another grant from SCCF or other sources of funding.

Notes to the Accounts for the year ended 31st March 2019

Basis of Accounting

These accounts have been prepared on the Receipts and Payments basis in accordance with the Charities and Trustee Investment Scotland 2005 Act and the England and Wales Charities Act 2011.

Grants Received

Donor	Unrestricted Funds (£)	Restricted Funds (£)	Year Ended 31/03/2019 (£)	Year Ended 31/03/2018 (£)
UK Aid	0	21,411	21,411	58,152
Waterloo Foundation	0	0	0	11,500
Jephcott	0	0	0	10,200
Other	0	0	0	3,124
Total	£0	£21,411	£21,411	£82,976

Donor	Unrestricted Funds (£)	Restricted Funds (£)	Year Ended 31/03/2018 (£)	Year Ended 31/03/2017 (£)
BT My Donate*	1,526	0	1,526	174
Private Donations	2,154	0	2,154	3,493
Virgin Money Giving	1,290	0	1,290	600
Everyclick.com **	842	0	842	0
Gift Aid	1,577	0	1,577	616
Big Give	0	0	0	8,659
Village Water fund	0	1,020	1,020	0
Bank Interest	9	0	9	1
Other	46	0	46	0
Total	£7,444	£1,020	£8,464	£13,543

* £1,071 Tim Bell memorial fund

** £842 Oliver Rubins bar mitzvah fund

Nature and Purpose of Funding

Unrestricted funds are those that may be used at the discretion of the trustees in furtherance of the objects of the charity. The trustees maintain a single unrestricted fund for the running of the charity.

Restricted funds may only be used for specific purposes. Restrictions arise when specified by the donor or when funds are raised for a specific purpose.

Related Party Transactions

Former trustee, Mr. Jeffrey Cohen, received £1,320 to cover per diem expenses when providing programme management services in the months of July to September 2018.

Trustee, Linda Chisale, received £43 to cover per diem expenses when evaluating the project over a two day period in November 2018.

Approved by the Trustees and signed on their behalf:



Mike Wilkins

Treasurer

Date: 17 July 2019