

Company number: 00612245

Charity number: 212342

# The Inland Waterways Association

Report and financial statements

For the year ended 31 December 2022



**INLAND  
WATERWAYS**  
ASSOCIATION

# Inland Waterways Association

## Contents

### For the year ended 31 December 2022

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Reference and administrative information .....	1
Trustees' annual report .....	3
Independent auditor's report .....	18
Statement of financial activities (incorporating an income and expenditure account) .....	23
Balance sheet .....	24
Statement of cash flows .....	25
Notes to the financial statements .....	26

## Inland Waterways Association

### Reference and administrative information

For the year ended 31 December 2021

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**Company number** 00612245  
**Country of incorporation** United Kingdom

**Charity number** 212342  
**Country of registration** England & Wales

### Registered office and operational address

The Inland Waterways Association  
Unit 16b Chiltern Court  
Asheridge Road  
Chesham  
HP5 2PX

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Rt Hon Sir Robert Atkins	
Richard Barnes	(until March 2022 and from Sept 2022)
John Butler	(until September 2023)
David Chapman	
Nicholas Dybeck	
Leslie Etheridge	(from May 2022 until September 2023)
Susan O'Hare	
Rebecca Hughes	(until February 2023)
Claire Norman	(from September 2022)
Paul Rodgers	(until April 2022)
Ian Sesnan	(until January 2022)
Hannah Rigley (nee Sterritt)	
Michael Wills	(from September 2022)
Alison Woodhams	(until January 2022)
Stuart Craig	(from September 2023)
Peter Marlow	(from September 2023)
Paul Strudwick	(from September 2023)
Thomas White	(from September 2023)

<b>Company Secretary</b>	Genevieve Wilson	(until February 2023)
	Vedyamala Reddy	(from February 2023)

## Inland Waterways Association

### Reference and administrative information

#### For the year ended 31 December 2021

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<b>Key management personnel</b>	Phil Hornsey	Chief Executive (Feb 2021 to Apr 2022)
	Jonathan Smith	Interim Chief Executive (May 2022 to Jan 2023)
	David Pearce	Chief Executive Officer (Jan 2023 to Apr 2023)
	Sarah Niblock	Chief Executive Officer (Jun 2023 to Sep 2023)
	Tracy Higgin	Administration Manager
	Alison Smedley	Campaigns & Public Affairs Manager (until Jan 2023)
	Genevieve Wilson	Finance Manager (until Jan 2023)
	Vedyamala Reddy	Head of Finance (from Jan 2023)
	Ross Field	Operations Manager (from Oct 2022)
	Joanne Mass	Marketing Manager (from Feb to Apr 2022)
	Georgia Howe	Marketing & Communications Manager (from Aug 2022)
	Jenny Morris	Volunteer & Restoration Hub Coordinator (until August 2022)
	Jenny Hodson	Volunteer Manager (from Jul 2022)
	Anthony Comber	General Manager, Essex Waterways Ltd (until Nov 2022)
David Smart	General Manager, Essex Waterways Ltd (from Jan 2023)	
<b>Bankers</b>	Barclays Bank PLC 1 Churchill Place London E14 5HP	
<b>Investment advisers</b>	Quilter Cheviot Senator House 85 Queen Victoria Street London EC4V 4AB	
<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108–114 Golden Lane London EC1Y 0TL	

The trustees present their report and the audited financial statements for the year ended 31 December 2022.

Reference and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, the articles of association, the requirements of a directors' report as required under company law and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## Objectives and activities

### Purposes and aims

IWA's Board of Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

### Who we are

The Inland Waterways Association (IWA) is a charity governed and run by volunteers and supported by a small team of employees. We are the only independent, national charity dedicated to supporting and regenerating Britain's navigable rivers and canals as places for leisure, living and business.

Founded in 1946, IWA celebrated the 75<sup>th</sup> anniversary of its founding in 2021. We believe that the nation's waterways and surrounding environments are for everyone to enjoy, and we both campaign and take direct action to protect their continued existence.

IWA is a membership organisation comprising both individual and corporate members. The former includes waterways experts, enthusiasts and members of the public, and the latter include waterways-related businesses, charitable societies and groups interested in restoration and regeneration. We are an association in the true sense of the word, and by joining IWA our members help support and regenerate the nation's waterways, for the benefit of all, both now and into the future.

### Why we exist

The Inland Waterways Association was founded in 1946 in response to the very real risk that continued neglect of our historic waterways network would see a precious national asset lost forever.

It is possible to walk or boat along many waterways now only because of the tireless campaigning work of IWA and its volunteers over the last 75 years, with over 500 miles of derelict waterways brought back to life. But however well maintained they may appear, our waterways continue to

remain under considerable threat – from urban development, inadequate funding, lack of protection, loss of skills and knowledge, over-commercialisation and climate change.

### How we operate

Britain's waterways form a vast, open-air network of working canals and navigable rivers, connecting city and countryside, alive with boats and enjoyed by millions. IWA is dedicated to providing ongoing protection to this network, as well as supporting the regeneration of another 500 miles of currently derelict waterways.

The canals and rivers of England, Wales and Scotland are managed and maintained by a variety of navigation authorities. IWA works closely with these authorities to influence policy and decision-making, whilst constructively challenging them to work in the best interest of the waterways and their users.

We also work with other waterway groups, and a wide range of national and local authorities, voluntary, private and public sector organisations. In 2005, IWA's subsidiary company, Essex Waterways Ltd, became a navigation authority itself when it took over management of the Chelmer & Blackwater Navigation. The waterway is now run on a not-for-profit basis, and is a thriving asset for the benefit of the local community.

IWA also actively encourages waterways restoration, providing advice, guidance and hands-on, practical support to local restoration groups. Our Restoration Hub champions waterways restoration and provides restoration groups with access to the collective knowledge and skills of IWA staff and our active volunteer base, including planning and engineering professionals. These skills include those of IWA's Waterway Recovery Group (WRG) which is well-known in the sector and has a long-established reputation of practical waterway regeneration. WRG organises a yearly programme of highly popular, week-long waterway restoration holidays, training for volunteers around the country and carrying out work parties on most weekends through regional groups.

IWA's staff team is supported at every level by an active, committed and valued network of volunteers. This includes our local branches, who organise work parties, hold events, monitor and challenge planning applications that might be detrimental to the waterways, arrange waterside walks and tours, and liaise with many local groups and societies with common interests. IWA also benefits from advisory and operational groups, who work at a national level to support and implement our strategic objectives.

IWA relies on the support of our members, donors and volunteers, as well as income from grant-making bodies and commercial activities to make our waterways better. Membership income is put towards IWA's campaigning and restoration expenditure but covers about 20% of our costs. This leaves the remainder to be covered by donations, gifts in wills, grants and income from IWA's investments.

## **What we want to achieve**

### **High-Level Strategic Objectives, 2022–2027**

In 2022, the Board completed a major review of the Association's Strategic Objectives and these were formally accepted in Jan 2023.

1. To be recognised as the organisation that shapes the national agenda for navigable waterways.
2. To inspire more people to use, appreciate and care for their local waterways.
3. To support the transformation of 500 more miles of waterways into places for leisure, living and business.
4. To establish waterways as a key asset for the environment and a way to mitigate and adapt to the climate emergency.
5. To operate as one team across the charity, working together to achieve our objectives.

These objectives will focus our efforts, enable better decision-making around our key activities and priorities, and allow us to communicate our ambitions in a clear way across the organisation and to external stakeholders.

## **Statement of Public Benefit**

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

## **Achievements and performance**

After the hiatus of Covid and a period of internal review of its role, structure and finances, 2022 saw IWA consolidating and starting to rebuild its campaigning and restoration activities.

A clear role and purpose statement was established for the Association and high-level strategic objectives were approved, which helped shape the direction of travel. An "Only IWA can do this" theme was used to frame the unique position of the Association in the waterways sector and the "One IWA" ethos of a collaborative effort by members, volunteers and employees was promoted.

A major report, *Waterways for Today*, was published by IWA in September 2022. Based on case studies, it provides evidence of the benefits that waterways bring to society. It was sent to all MPs with a waterway in their constituency and its release was originally timed to coincide with an expected announcement on central government funding for Canal & River Trust's waterways. The

## **Inland Waterways Association**

### **Trustees' annual report**

#### **For the year ended 31 December 2022**

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announcement was subsequently delayed but that allowed time for IWA to position itself and prepare for the launch of a major campaign in 2023.

The magnificent efforts of dedicated teams of volunteers and staff again produced colourful and memorable waterways events in London at Canalway Cavalcade, and in Burton upon Trent at the Festival of Water. These two major IWA organised events provide an opportunity to show the public what great assets the waterways are, and how important it is to restore and maintain them for the public benefit. At a local level too, IWA branches promoted waterways often working in conjunction with canal societies and navigation authorities.

After the trimmed down Covid years, Canal Camps returned to a full programme including brickwork and towpath repairs on the Chelmer & Blackwater Navigation, repairs to tunnel portal and rebuilding a lengthsmen's hut on the Shrewsbury and Newport Canals, rebuilding lock chamber walls on the Swansea Canal, repair to an overflow weir on Monmouthshire Canal and a family camp at Wendover. The Restoration Conference, jointly hosted with Canal & River Trust in Stroud, returned to the calendar after a three-year gap. A wide range of canal societies and other waterways bodies attended and addressed topics of overcoming obstacles and seizing opportunities in waterway restoration.

Whilst several personnel changes caused some disruption mid 2022 including CEO and long serving staff moving on, the interim CEO brought stability, recruited new skills to the team and rebuilt confidence.

There was a clear focus on the need to balance income and expenditure after several years of over-reliance on legacies and drawing down funds. This required difficult decisions, such as increasing membership fees and office relocation. Further disruption occurred in 2023 as two chief executives came and went, and this has meant that implementing change has not been as effective as was anticipated.

2023 saw the launch of a major campaign to Protect our Waterways with an early emphasis on the need for improved government funding. IWA has also played a leading role in bringing together upwards of 85 waterways organisations to form Fund Britain's Waterways (FBW) which is campaigning for national and local government to act now and protect the public benefit and natural capital of our waterways. Following a DEFRA announcement regarding funding for Canal and River Trust, the IWA campaign for adequate funding will continue.

### **A thank you to IWA volunteers, supporters and employees**

IWA would not exist without the generosity of our members and donors, and the successes outlined above would not be achieved without the incredible commitment of our volunteers and employees. By supporting us through membership subscriptions or donations, or by contributing time through volunteering, these individuals ensure our organisation can continue to do such valuable work to support, protect and regenerate the nation's navigable rivers and canals, for everyone to enjoy.



## Inland Waterways Association

### Trustees' annual report

#### For the year ended 31 December 2022

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Our national volunteer awards recognise outstanding achievements and in September 2022 awards were made to:

Cyril Styring Trophy	John Fevyer
Christopher Power Prize	Terry Cavender and Buckingham Canal Society
Richard Bird Medal	Mike Slade (IWA West Country)
Richard Bird Medal	Sue Schwieso (IWA Kent & E Sussex)
Richard Bird Medal	John Hawkins (WRG)
Richard Bird Medal	David Carrington (Finance Committee and Essex Waterways Ltd)
Richard Bird Medal	Jane Elwell (Festivals)
Richard Bird Medal	Mike Elwell (Festivals)
Branch Achievement Salver	IWA Lichfield Branch

We would like to record our heartfelt thanks to all volunteers, and for the unfailing support of waterway groups, corporate members and other bodies in our sector, for their amazing contribution to the Association's work and for their support to IWA's subsidiary company, Essex Waterways Ltd

### Plans and Strategy for 2023

In January 2023, the Trustee Board approved a medium-term strategy for the period to December 2023 for achieving the High-Level Strategic Objectives. It included a continued focus on achieving a balanced budget through income generation and cost control, establishing a strategy for campaigns, improving communications & engagement, and an emphasis on retention and recruitment of volunteers, working as One IWA and better engagement with regions and branches.

One of the immediate outcomes was to launch a single campaign, Protect our Waterways through which we will raise awareness about the threats to our waterways and petition to protect canals and rivers from funding cuts. The campaign would also raise IWA's profile to assist fundraising and so make IWA financially sustainable. Together with other members of Fund Britain's Waterways, several high profile events have been held including a rally in central Birmingham, and more are planned including a cruise past Westminster in November 2023. It is hoped that the impact of the events locally, and good coverage in the media will have the desired effect of ensuring adequate funding for the waterways.

In September, in light of the departure of a second chief executive in 2023, Trustees have put in place interim arrangements to keep the current operation going, in particular the campaigns, and to honour other commitments. They have also set up a working group to re-visit the strategy for balancing the budget which will report in early 2024. (see also Going Concern below)

## Financial review

Uncertainties around Covid-19 and its impact on activities continued during 2022, but to a lesser extent than in the previous two years. Consequently, the charity had a difficult year financially with an operating loss of £237,466. Income from donations and legacies was significantly down from 2021, and expenditure on staff (IWA & EWL) and navigation management (EWL) were significantly higher. However, legacy receipts were still significant, with the greater part unrestricted and thus directly benefitting the unrestricted funds balance at the year end.

Income from investments held up well, but the value of our investment portfolio fell substantially as a result of the challenging state of the investment markets resulting in a loss of £213,751.

The operating and investment losses affected the level of unrestricted funds and these have dropped to £877,243.

Expenditure on charitable activity was £848,118 in 2022 which includes £593,586 on our campaigns to protect the waterways. Roughly 40% of this was funded by membership subscriptions, 8% from grant income and a further 35% of it was raised through donations and unrestricted legacies.

Essex Waterways Limited made an operating loss of £59,416 on trading income of £815,875. Inland Waterways Enterprises Limited did not trade in 2022.

Total net incoming resources for the group available during 2022 were £1,645,622 (2021: £1,770,222). This enabled expenditure of £1,883,087, (2021: £1,743,480). After taking account of the loss on investments of £213,751 the total funds carried forward at the year-end stood at £2,239,194.

## Principal funding sources

The Association's principal funding sources for 2022 were:

	Unrestricted £	Restricted £
Subscriptions from members	341,777	-
Donations	26,232	27,362
Grant Income	42,654	26,483
Legacies	205,578	38,904
Investment income	31,162	-

Other income is shown in notes 3 to 5 of the financial statements.

## Membership

Membership retention and recruitment has been a focus for the “Only IWA can do this” theme, and members continued to renew and sign up to the charity through our website. We do not make our supporter lists available to third parties and we do not send direct email or postal communications on behalf of third parties.

## Legacies

The Inland Waterways Association is very grateful for bequests during the year totalling £244,482. Without this generosity it would not be possible for the Association to make the significant contribution it does to protecting and restoring the inland waterways. Our grateful thanks go to:

Graham Christian Bird

Frances Patricia Hill

Rose Kathleen Wyatt

Henry Franis Eaves

Peter John Harman

Joyce Beatrice Keep

John Charles Villers

Anthony Davis

Alastair Neil MacDonald

Janet Madeline McFarling

David John Pinkney

Gordon Edward Muspratt

John Alan Cadisch

## Fundraising & Donations

IWA donors can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator, we are committed to their Fundraising Promise, and we adhere to the Code of Fundraising Practice.

Fundraising communications posted or emailed to individual members or supporters are small in number but include annual information about our 500 Club. When supporters and volunteers register for our working holiday Canal Camps or purchase moorings or camping pitches for our Festivals we ask if a donation could be made alongside the booking.

A new Text to Give facility was established in early 2023 to facilitate donations at events.

## Grants

The Association offers sincere thanks to the following organisations that have provided grant funds or long-standing contracts to enable and support the charity's campaigning work as well as the waterways project activities of our subsidiary Essex Waterways:

Essex County Council  
Historic England  
Northumbrian Water  
South West Inland Waterways Regeneration  
Coombe Tennant Family  
Cummins Power Systems  
Nantwich Town Council

## **Investment performance**

The Association's investments showed a net loss of £213,751 during the year. Our investments were managed by Quilter Cheviot.

A full list of the investments held is provided to members of the Investment Working Group, which reports to Finance Committee, every three months, with interim valuations. The value of listed investments was £1,113,227 at 31 December 2022 and £1,430,799 at 31 December 2021 (see financial statements note 16). Investment income amounted to £31,162 (2021: £32,061). The portfolio is judged against an agreed benchmark and given the current market volatility the trustees were satisfied with the performance during the year. The Investment Working Group meets with the investment managers at least twice a year and will continue to monitor closely the performance against the benchmark for the forthcoming year.

## **Key policies**

### **Investment policy**

#### **1. Introduction**

The overall financial objective is:

- For restricted and designated funds, shorter-term, invested emphasising certainty of value.
- For general funds, longer-term, invested to support the reserve policy.

#### **2. Investment objective is**

- To produce best financial return within an acceptable level of risk.
- To produce a total return of at least the Consumer Price Index plus 3.5%, over the long term.

#### **3. Risk**

- Inflation risk mitigated through investment in real assets.
- Capital volatility can be tolerated if consistent with expectations.
- Diversification of assets required, with a maximum concentration risk of 10% in any one investment.
- There shall be no investment in futures, forwards, options, swaps, hedge funds, cryptocurrencies and other derivatives.
- Sterling base currency.

## Inland Waterways Association

### Trustees' annual report

#### For the year ended 31 December 2022

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- Minimum A- credit rating for deposit (other than company bankers) taking institution, maximum £170,000 cash deposit per counterparty.
- Bond exposure should be focused on investment grade issuers.

#### 4. Liquidity

- Minimum 90% in assets realisable within 3 months.
- Minimum 2% in cash or near cash.

#### 5. Time Horizon

- Restricted and designated funds: more than 3 years (expected to be held long term).
- Free reserve: less than 3 years (may be needed in the short term).

#### 6. Ethical Policy

- Invested in line with the Association's aims and giving due consideration to Environmental Social and Governance factors.

#### 7. Management, Reporting and Monitoring

- The trustees have delegated decision making to the Investment Working Group.
- Investment management is delegated to an investment manager.
- The Investment Working Group monitors the investment manager.
- Performance is monitored against agreed market benchmarks and the investment objective of Consumer Price Index +3.5% over the long term.

#### 8. Approval and Review

- Effective from April 2022.
- Due for review by end 2023.

## Principal risks and uncertainties

Maintaining a regular review of risk is one of trustees' key duties. A trustee working group was set up in 2020 which carried out a thorough review and update of Risk Management, produced an updated policy and process, and created a new Risk Register. Trustees reviewed and accepted the register and set levels for risk appetite.

The working group keeps the Risk Register under review and reports periodically to the board of trustees, so that the trustees have a clear picture of where IWA needs to be focusing its energy and resources.

During 2022, the focus was on risks that had been identified with a greatest divergence from a previously determined acceptable level. These included performance against financial objectives, and provision and capacity of staff and other resources.

## Inland Waterways Association

### Trustees' annual report

#### For the year ended 31 December 2022

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In early 2023, a medium-term strategy was produced with the principal risks in mind, which was approved by trustees. It included a continued focus on achieving a balanced budget through income generation and cost control, establishing a strategy for campaigns, improving communications and engagement, and an emphasis on retention and recruitment of volunteers, working as 'One IWA' and better engagement with regions and branches.

The principal risk facing IWA in the latter half of 2023, following the loss of two CEO in the year, is that of providing leadership and management of the Association. Trustees have put in place an interim management team and are considering options for future structure around a zero-based budget.

Other risks, including

Legacies (falling below £90,000 unrestricted)

Investments (if there is no recovery in values)

Fundraising (if IWA fails to raise the £10,000 budget)

have been considered in the going concern assessment and will be mitigated through careful monitoring by trustees over the next 12 months.

## Reserves policy and going concern

### Reserves policy

The Association's reserves are available for use in furtherance of the charitable objectives of the Association. They consist of the General Fund, reduced by:

- The value of fixed assets
- Restricted funds.
- Designated funds.
- Any firm commitments made.

Restricted funds are either:

- Set aside for specific projects or purposes in accordance with the instructions or intentions of the donors.
- Allocated and committed to the intended recipient.

Designated funds are:

- Funds from larger legacies that have not been placed in restricted funds but which trustees felt should, where possible, be applied to specific projects or areas.
- Funds held by branches and regions or allocated or committed to specific projects.

Where expenditure fulfils the criteria of a restricted fund, it is charged against that fund, rather than from General Funds.

The Association's income and expenditure may vary from year to year, because of:

- Changes in the value of its investments
- Variable income, such as legacies and donations.
- Fluctuations in membership income.

## Inland Waterways Association

### Trustees' annual report

#### For the year ended 31 December 2022

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- Urgent major expenditure on waterway restoration or campaign
- A need for legal advice or legal action.

The Association should therefore hold sufficient reserves to cover its operating costs for a minimum of six months, which would enable it to continue its activities and to manage any financial or operational difficulty that could arise.

Based on the risk assessments it has carried out, trustees have therefore concluded that IWA's reserves should lie between £350,000 and £650,000. £150,000 should be held in liquid funds.

The level of free reserves at 31 December 2022 was as follows.

#### Free Funds

General fund	673,763
Less Tangible fixed Assets	-262,490
Less: Intangible Fixed Assets	<u>-63,642</u>
<b>Adjusted Free Funds</b>	<b><u>347,631</u></b>

### Going concern statement

The trustees have carried out a detailed assessment of the organisation's going concern status.

It is based on the 2022 Financial Statements, the 2023 Q2 Management Accounts, a projection to the end of 2023 based on the known position in October 2023, and a budget for 2024 based broadly on the current operating model with some adjustments for recent staff changes.

The assessment demonstrates that there is sufficient cash to operate at least until the end of 2024 and whilst the projected figure for free reserves at the end of 2024 falls marginally below the £350,000–£650,000 range, operating costs will be lower.

The assessment also considered a sensitivity analysis which looked at the effects of investment losses, reduced legacy income and less income from fundraising which indicated that there is very little room for manoeuvre. Accordingly, areas for further cost reduction have been identified should the need arise.

The current operating model continues to produce an annual operating deficit and whilst this is partially offset by income from legacies, and partially from drawdown of general funds, trustees recognise that this is unsustainable in the longer term (beyond 2024). They have therefore set up a group to scrutinize the current operational model with a view to setting a zero-based budget. This will build on work done in recent years by the financial planning group and on the key strategic initiatives resulting from it.

The directors of Essex Waterways Ltd have carried out a similar exercise. Potential risk areas include increased inflation, the cost-of-living crisis and large unplanned maintenance costs resulting from the failure of a navigation asset.

## Inland Waterways Association

### Trustees' annual report

#### For the year ended 31 December 2022

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Finance Committee have reviewed and challenged the assessments and reported to Trustees their unanimous support and their belief that the organisation is a going concern. Trustees are satisfied that there are no material uncertainties which undermine the going concern assumptions, and have reasonable expectation IWA as a charity and group will be a going concern for at least 12 months from signing.

## Structure, governance and management

### Organisation

The Board of Trustees had ten members and held nine formal Board meetings during 2022.

There are three principal committees of the Board of Trustees:

- Finance Committee
- Navigation Committee
- Waterway Recovery Group

Each of these committees usually meets four to six times per annum. In addition, waterway restoration programmes are supported by IWA's Restoration Hub and advisory panel.

There is also a range of other sub-committees, working groups and advisory panels, including Remuneration Committee, reporting directly to trustees, or reporting to other parts of the Association.

A chief executive officer is appointed by the trustees to manage the day-to-day operations of the charity. The CEO works closely with a Senior Management Group, comprising the Chair and Deputy Chairs of the Board, the National Treasurer and the Chair of Waterway Recovery Group. To facilitate effective operations, the chief executive has the delegated authority, within the terms of delegation approved by the trustees, for operational matters including finance and employment.

### Trustee remuneration and insurance

No trustee received any remuneration in respect of services to the Association, other than reimbursement of expenses incurred in providing such services. A premium in respect of trustee indemnity insurance for members of the trustee board of £524 including Insurance Premium Tax was paid during the year (2021: £1,429).

### Remuneration policy for key management personnel

A Remuneration Committee, comprising the chair of Finance Committee, the national chair and two other members appointed annually by trustees, reviews the remuneration of senior employees. The remuneration package for the chief executive and other senior staff is based on recommendations provided to the committee by the chief executive, or the national chair in



## Inland Waterways Association

### Trustees' annual report

#### For the year ended 31 December 2022

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respect of the chief executive, and takes into consideration current market conditions for the functions and performance of the relevant employees.

## Governing documents

The Inland Waterways Association is a charitable company limited by guarantee, incorporated on 2 October 1958. It is governed by its Articles of Association, which were last updated at the AGM on 24 September 2016. The charitable company's objects and powers were initially set out in a Memorandum of Association that is now incorporated in the Articles of Association

IWA registered as a charity on 17 December 1962 and remains registered with the Charity Commission. Each member agrees to contribute £1 in the event of the charity winding up.

## Related parties and relationships with other organisations

The Inland Waterways Association has three subsidiary companies:

- Essex Waterways Limited, which began trading in November 2005, and manages the Chelmer & Blackwater Navigation. The Company enjoys the support of Chelmsford City Council, Essex County Council, Northumbrian Water and Maldon District Council. It is a member of the Association of Inland Navigation Authorities.
- Inland Waterways Enterprises Limited began trading in August 2017 to undertake certain commercial activities to support IWA. It did not trade in 2022.
- Waterway Recovery Group Ltd is dormant and is maintained to protect the name Waterway Recovery Group is a trading name of the Association.

The boards of all three companies are appointed by IWA's trustees.

The charity and its subsidiary companies have no contractual arrangements with any other party that materially affect the management of the Association or the subsidiary companies. It is the Association's policy to work closely with all other inland waterway interests, including navigation authorities, local and national government and its agencies, private and public landowners, commercial boating and other waterside businesses, voluntary organisations, and others to promote the conservation, use, maintenance, restoration and appropriate development of the inland waterways.

The Inland Waterways Association nominates appropriate members to serve as trustees of a number of other inland waterway related charities, and appoints representatives to attend the governing meetings of a number of other organisations and bodies. These appointments are individually approved by trustees for fixed periods, with appointees usually being eligible for reappointment.

## Appointment of trustees

From 2020, the trustee recruitment process is based on a skills audit and is carried out by a working group appointed by trustees. The panel's 2022 recommendations were put to the AGM for approval by the membership. Terms of office are usually for three years with a maximum of four consecutive terms before a three-year break must be taken. The appointment of trustees is staggered over a three-year period. All trustees are members of the Association. No trustee appointments are made by outside bodies.

## Trustee induction and training

New trustees are provided with a list of documents for recommended study and invited to attend induction sessions where they are given introductions to the activities of each team, as well as time speaking directly with the staff at the Chesham office. New trustees are also provided with informal guidance from existing trustees.

## Statement of responsibilities of the trustees

The trustees (who are also directors of The Inland Waterways Association 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate 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. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Inland Waterways Association

### Trustees' annual report

#### For the year ended 31 December 2022

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In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2022 was 10329 (2021: 10,970). The trustees are members of the charity but this entitles them only to the same voting rights as any other member. The trustees have no beneficial interest in the charity.

## Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 27 October 2023 and signed on their behalf by

Nick Dybeck  
National Treasurer

## Independent auditor's report

To the members of

Inland Waterways Association

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### Opinion

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

In our opinion, the financial statements:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Inland Waterways Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## Independent auditor's report

To the members of

Inland Waterways Association

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### Other Information

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

We have nothing to report in this regard.

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

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

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

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

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

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

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## Independent auditor's report

To the members of

Inland Waterways Association

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### Responsibilities of trustees

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

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

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

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

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

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

### Capability of the audit in detecting irregularities

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

- We enquired of management, and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

## Independent auditor's report

To the members of

### Inland Waterways Association

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

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

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

## Use of our report

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

## **Independent auditor's report**

**To the members of**

**Inland Waterways Association**

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company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

30 October 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

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

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



The Inland Waterways Association

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
<b>Income from:</b>							
Donations, legacies and subscriptions	2	573,587	66,266	<b>639,853</b>	464,934	295,229	760,163
Charitable activities	3	28,937	26,630	<b>55,567</b>	34,277	70,790	105,067
Other trading activities	4	886,479	1,374	<b>887,853</b>	846,003	1,319	847,322
Investments	5	62,349	-	<b>62,349</b>	57,669	-	57,669
<b>Total income</b>		<b>1,551,352</b>	<b>94,270</b>	<b>1,645,622</b>	<b>1,402,884</b>	<b>367,338</b>	<b>1,770,222</b>
<b>Expenditure on:</b>							
Raising funds	6	1,034,969	-	<b>1,034,969</b>	807,410	8,982	816,392
Charitable activities							
Campaign and restoration costs	6	532,361	61,223	<b>593,585</b>	701,349	88,721	790,070
Membership support costs	6	250,936	-	<b>250,936</b>	127,588	38	127,626
Public meetings and other activities	6	3,596	-	<b>3,596</b>	9,389	3	9,392
<b>Total expenditure</b>		<b>1,821,862</b>	<b>61,223</b>	<b>1,883,087</b>	<b>1,645,736</b>	<b>97,744</b>	<b>1,743,480</b>
<b>Net income / (expenditure) before net gains / (losses) on investments</b>		<b>(270,510)</b>	<b>33,047</b>	<b>(237,465)</b>	<b>(242,852)</b>	<b>269,594</b>	<b>26,742</b>
Net gains / (losses) on investments	16	(213,751)	-	<b>(213,751)</b>	89,285	-	89,285
<b>Net income / (expenditure) for the year</b>	8	<b>(484,261)</b>	<b>33,047</b>	<b>(451,216)</b>	<b>(153,567)</b>	<b>269,594</b>	<b>116,027</b>
Transfers between funds		18,000	(18,000)	-	3,302	(3,302)	
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>(466,261)</b>	<b>15,047</b>	<b>(451,216)</b>	<b>(150,265)</b>	<b>266,292</b>	<b>116,027</b>
Gains on revaluation of investment property		-	32,000	<b>32,000</b>	-	-	-
<b>Net movement in funds</b>		<b>(466,261)</b>	<b>47,047</b>	<b>(419,214)</b>	<b>(150,265)</b>	<b>266,292</b>	<b>116,027</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		1,343,504	1,314,904	<b>2,658,408</b>	1,493,769	1,048,612	2,542,381
<b>Total funds carried forward</b>		<b>877,243</b>	<b>1,361,951</b>	<b>2,239,194</b>	<b>1,343,504</b>	<b>1,314,904</b>	<b>2,658,408</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 25 to the financial statements.

The Inland Waterways Association

Balance sheet

Company no. 00612245

As at 31 December 2022

	Note	Group 2022 £	2021 £	Charity 2022 £	2021 £
<b>Fixed assets:</b>					
Intangible assets	13	63,642	76,302	63,642	76,302
Tangible assets	14	295,510	325,360	10,881	3,796
Investment properties	15	375,000	343,000	375,000	343,000
Investments	16	1,120,840	1,442,914	1,140,893	1,474,871
		<b>1,854,992</b>	<b>2,187,576</b>	<b>1,590,416</b>	<b>1,897,969</b>
<b>Current assets:</b>					
Stock	19	13,347	10,529	13,347	10,529
Debtors	20	119,137	253,980	110,544	194,119
Cash at bank and in hand		499,377	493,337	427,496	402,533
		<b>631,861</b>	<b>757,846</b>	<b>551,387</b>	<b>607,181</b>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	21	(224,798)	(257,500)	(114,830)	(155,621)
<b>Net current assets</b>		<b>407,063</b>	<b>500,346</b>	<b>436,557</b>	<b>451,560</b>
<b>Total assets less current liabilities</b>		<b>2,262,055</b>	<b>2,687,922</b>	<b>2,026,973</b>	<b>2,349,529</b>
Creditors: amounts falling due after one year	23	(22,861)	(29,514)	(4,069)	(5,222)
<b>Total net assets</b>		<b>2,239,194</b>	<b>2,658,408</b>	<b>2,022,904</b>	<b>2,344,307</b>
<b>The funds of the charity:</b>					
Restricted income funds	25	1,361,951	1,314,904	1,319,506	1,273,914
Unrestricted income funds:					
Designated funds		235,480	411,592	235,480	411,592
Revaluation reserve		10,690	10,690	-	-
General funds		631,073	921,222	467,918	658,800
Total unrestricted funds		<b>877,243</b>	<b>1,343,504</b>	<b>703,398</b>	<b>1,070,392</b>
<b>Total charity funds</b>		<b>2,239,194</b>	<b>2,658,408</b>	<b>2,022,904</b>	<b>2,344,307</b>

Approved by the trustees on 27 October 2023 and signed on their behalf by

Nick Dybeck  
National Treasurer

Michael Wills  
Trustee

The Inland Waterways Association

Statement of cash flows

For the year ended 31 December 2022

	Note	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Net income for the reporting period (as per the statement of financial activities)		(451,216)		116,026	
Amortisation charges		18,254		12,382	
Depreciation charges		48,736		47,411	
Losses/(gains) on investments		213,751		(89,285)	
Dividends, interest and rent from investments		(62,349)		(56,575)	
Increase in stocks		(2,818)		(3,955)	
Decrease/(increase) in debtors		134,843		(109,367)	
Decrease in creditors		(32,701)		(11,809)	
<b>Net cash provided by operating activities</b>			<b>(133,500)</b>		<b>(95,172)</b>
<b>Cash flows from investing activities:</b>					
Bank interest received		471		97	
Investment income received		61,878		57,572	
Purchase of fixed asset investments		(289,665)		(323,635)	
Purchase of intangible fixed assets		(5,593)		(14,484)	
Purchase of tangible fixed assets		(18,887)		(152,905)	
Proceeds from sale of fixed asset investments		393,485		391,963	
<b>Net cash used in investing activities</b>			<b>141,689</b>		<b>(41,392)</b>
<b>Cash flows from financing activities:</b>					
Loan repayment including interest		(6,653)		(6,594)	
<b>Net cash used in financing activities</b>			<b>(6,653)</b>		<b>(6,594)</b>
<b>Change in cash and cash equivalents in the year</b>			<b>1,536</b>		<b>(143,158)</b>
Cash and cash equivalents at the beginning of the year			<b>505,452</b>		<b>648,610</b>
<b>Cash and cash equivalents at the end of the year</b>			<b>506,988</b>		<b>505,452</b>
<b>Analysis of cash and cash equivalents and of net debt</b>					
	At 1 January 2022	Cash flows	Other non- cash changes	At 31 December 2022	
	£	£	£	£	
Cash at bank and in hand	493,337	6,039	-	<b>499,377</b>	
Investment cash	12,115	(4,503)	-	<b>7,612</b>	
<b>Total cash and cash equivalents</b>	<b>505,452</b>	<b>1,536</b>	<b>-</b>	<b>506,988</b>	

**1 Accounting policies**

**a) Statutory information**

Inland Waterways Association is a charitable company limited by guarantee and is incorporated in England & Wales.

The registered office address is Unit 16B First Floor, Chiltern Court, Asheridge Road, Chesham, HP5 2PX

**b) Basis of preparation**

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

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**c) Public benefit entity**

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

**d) Going concern**

The trustees have carried out a detailed assessment of the organisation's going concern status. Projections of the financial position and cashflow of unrestricted funds have been tested through scenarios where areas of higher risk, such as investment valuation, inflation, membership income, legacy income and fundraising, cause deterioration in financial performance in 2023 and/or 2024. The Board and its Finance Committee reviewed and challenged the assessment, with the final paper and conclusions documented.

As a result of the above, the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**1 Accounting policies (continued)**

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the dates on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

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

**g) Interest receivable**

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

**h) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**1 Accounting policies (continued)**

**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of campaigning and restoration activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**j) Grants payable**

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

**k) Allocation of support costs**

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

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

- |  |     |
|--|-----|
| ● Raising funds                        | 55% |
| ● Campaign and restoration costs       | 32% |
| ● Membership support costs             | 13% |
| ● Public meetings and other activities | 0%  |

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

**l) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**m) Intangible fixed assets**

Intangible fixed assets are amortised to write off the cost, less estimated residual value over their estimated useful lives on a straight line basis as follows:

- |               |           |
|---------------|-----------|
| ● IT software | 3–7 years |
| ● Website     | 4 years   |

**1 Accounting policies (continued)**

**n) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £1,000. 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. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

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 are as follows:

● Computer equipment	3 to 4 years
● Plant and equipment	3 to 10 years
● Motor vehicles	4 years
● Trip boats	6 to 20 years
● Buildings and leasehold improvements	10 years

**o) Investment properties**

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

**p) Listed investments**

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

**q) Investments in subsidiaries**

Investments in subsidiaries are at cost.

**r) Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. In general, cost is determined on a first in first out basis and includes transport and handling costs. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

**s) Debtors**

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

# The Inland Waterways Association

## Notes to the financial statements

### For the year ended 31 December 2022

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#### 1 Accounting policies (continued)

##### t) Cash at bank and in hand

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

##### u) Creditors and provisions

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

##### v) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Donations	26,232	27,362	53,594	32,303	73,349	105,652
Legacies	205,578	38,904	244,482	99,791	221,880	321,671
Membership subscriptions	341,777	-	341,777	332,840	-	332,840
	<u>573,587</u>	<u>66,266</u>	<u>639,853</u>	<u>464,934</u>	<u>295,229</u>	<u>760,163</u>

IWA has been notified of legacies with an estimated value of £195,000 (2021: £341,574) which have not been included in income for the year ended 31 December 2022, because either probate has not been received or IWA is not satisfied that the amount receivable can be reliably measured.

#### 3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Publications income	3,080	-	3,080	1,555	-	1,555
Public meetings and other activities	5,559	-	5,559	7,820	-	7,820
Grant income	6,693	26,483	33,176	8,028	59,564	67,592
Fundraising	13,605	147	13,752	16,874	11,226	28,100
Total income from charitable activities	<u>28,937</u>	<u>26,630</u>	<u>55,567</u>	<u>34,277</u>	<u>70,790</u>	<u>105,067</u>



The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2022

4 Income from other trading activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Navigation management income	737,338	-	<b>737,338</b>	735,020	-	735,020
Charitable trading	6,926	-	<b>6,926</b>	5,983	-	5,983
Other events and activities	142,215	1,374	<b>143,589</b>	105,000	1,319	106,319
	<u>886,479</u>	<u>1,374</u>	<u><b>887,853</b></u>	<u>846,003</u>	<u>1,319</u>	<u>847,322</u>

5 Income from investments

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Rental income	30,716	-	<b>30,716</b>	25,511	-	25,511
Bank interest	471	-	<b>471</b>	97	-	97
Income from quoted investments	31,162	-	<b>31,162</b>	32,061	-	32,061
	<u>62,349</u>	<u>-</u>	<u><b>62,349</b></u>	<u>57,669</u>	<u>-</u>	<u>57,669</u>

All income from investments is unrestricted.

The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2022

6a Analysis of expenditure (current year)

	Charitable activities						2022 Total £	2021 Total £
	Raising funds £	Campaign and restoration costs £	Membership support costs £	Public meetings and other activities £	Governance costs £	Support costs £		
Staff costs (Note 9)	534,608	205,296	206,034	-	7,288	29,340	<b>982,566</b>	944,264
Building and infrastructure costs	3,753	77,872	19,845	-	7,110	28,626	<b>137,206</b>	116,503
Meeting, travel and officers' expenses	-	6,760	-	-	72	-	<b>6,832</b>	2,395
Donations and grants	-	42,015	-	-	-	-	<b>42,015</b>	53,000
Work Party costs	-	10,528	-	-	-	-	<b>10,528</b>	9,080
WRG restoration costs	-	75,553	-	-	-	-	<b>75,553</b>	55,602
Campaign costs	-	68,177	-	-	-	-	<b>68,177</b>	41,583
Other direct costs	2,286	23,659	-	-	-	-	<b>25,945</b>	39,848
Restoration Hub	-	15,943	-	-	-	-	<b>15,943</b>	26,110
Membership and recruitment	-	27,200	8,360	-	-	-	<b>35,560</b>	53,155
Public meetings and other activities	-	-	-	3,357	-	-	<b>3,357</b>	8,307
Depreciation and amortisation	46,969	1,086	-	-	-	18,935	<b>66,990</b>	59,747
Investment management costs	7,909	-	-	-	-	-	<b>7,909</b>	9,401
Bank charges	13,668	-	-	-	-	-	<b>13,668</b>	6,594
Navigation management costs	318,381	-	-	-	-	-	<b>318,381</b>	253,488
Charitable trading	2,579	-	-	-	-	-	<b>2,579</b>	922
Other events and activities	35,948	-	-	-	-	-	<b>35,948</b>	38,165
Audit fees	-	-	-	-	27,516	-	<b>27,516</b>	19,813
Legal and professional services	-	-	-	-	-	5,510	<b>5,510</b>	4,074
Trustee indemnity insurance costs	-	-	-	-	525	-	<b>525</b>	1,429
AGM and other meeting costs	-	-	-	-	378	-	<b>378</b>	-
	<b>966,101</b>	<b>554,088</b>	<b>234,239</b>	<b>3,357</b>	<b>42,889</b>	<b>82,411</b>	<b>1,883,087</b>	1,743,480
Support costs	45,294	25,978	10,982	157	-	(82,411)	-	-
Governance costs	23,573	13,519	5,715	82	(42,889)	-	-	-
<b>Total expenditure 2022</b>	<b>1,034,969</b>	<b>593,585</b>	<b>250,936</b>	<b>3,596</b>	<b>-</b>	<b>-</b>	<b>1,883,087</b>	
Total expenditure 2021	816,392	790,070	127,626	9,392	-	-		1,743,480

The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2022

6b Analysis of expenditure (prior year)

	Charitable activities						2021 Total £
	Raising funds £	Campaign and restoration costs £	Membership support costs £	Public meetings and other activities £	Governance costs £	Support costs £	
Staff costs (Note 9)	369,006	369,079	74,707	-	26,159	105,313	944,264
Building and infrastructure costs	3,187	66,122	16,850	-	6,037	24,307	116,503
Meeting, travel and officers' expenses	-	2,395	-	-	-	-	2,395
Donations and grants	-	53,000	-	-	-	-	53,000
Work Party costs	-	9,080	-	-	-	-	9,080
WRG restoration costs	-	55,602	-	-	-	-	55,602
Branch and region magazines, printing, advertising expense	-	-	-	-	-	-	-
Campaign costs	-	41,583	-	-	-	-	41,583
Other direct costs	2,330	37,518	-	-	-	-	39,848
Restoration Hub	-	26,110	-	-	-	-	26,110
Membership and recruitment	-	31,829	21,326	-	-	-	53,155
Public meetings and other activities	-	-	-	8,307	-	-	8,307
Depreciation and amortisation	38,991	6,485	-	-	-	14,271	59,747
Investment management costs	9,401	-	-	-	-	-	9,401
Bank charges	6,594	-	-	-	-	-	6,594
Navigation management costs	253,488	-	-	-	-	-	253,488
Charitable trading	922	-	-	-	-	-	922
Other events and activities	38,165	-	-	-	-	-	38,165
Audit fees	-	-	-	-	19,813	-	19,813
Legal and professional services	-	-	-	-	-	4,074	4,074
Trustee indemnity insurance costs	-	-	-	-	1,429	-	1,429
AGM and other meeting costs	-	-	-	-	-	-	-
	722,084	698,803	112,883	8,307	53,438	147,965	1,743,480
Support costs	69,285	67,052	10,831	797	-	(147,965)	-
Governance costs	25,023	24,215	3,912	288	(53,438)	-	-
<b>Total expenditure 2021</b>	<b>816,392</b>	<b>790,070</b>	<b>127,626</b>	<b>9,392</b>	<b>-</b>	<b>-</b>	<b>1,743,480</b>

Notes to the financial statements

For the year ended 31 December 2022

7a Grant making (current year)

Cost	Grants to	2022
	institutions	£
Langport Town Council	2,490	2,490
Swansea Canal Society Coed Park Slipway project	15,256	15,256
Wilts & Berks Canal Trust Shrivenham Canal Park project	13,362	13,362
Other grants	10,907	10,907
At the end of the year	42,015	42,015

The grant payments to Swansea Canal Society and Wilts & Berks Canal Trust were made from the Waterways In Progress Fund, which waterways groups were invited to bid for in 2019, to run projects that promote the benefit of restoration schemes.

7b Grant making (prior year)

Cost	Grants to	2021
	institutions	£
Stover Canal Trust reconstruction of crane at Ventiford Basin	11,500	11,500
Christopher Power Prize to Buckingham Canal Society	1,000	1,000
Contribution to Lancaster Canal Restoration Partnership project management and running costs	2,500	2,500
The Susan Trust restoration of historic lighter	15,000	15,000
Swansea Canal Society Coed Park Slipway project	6,164	6,164
Wilts & Berks Canal Trust Shrivenham Canal Park project	2,940	2,940
Ashby Canal Association canal path	6,202	6,202
Small donations made by branches to local causes	7,356	7,356
At the end of the year	52,662	52,662

The grants to the Canal Museum, Northampton Arm Canal and Crusader Community Boating were made from funds bequeathed to IWA from the late John Faulkner in 2016.

The donations and grants figure in note 6b includes National Restoration Appeal project costs not issued as a grant payment so not included in the list above.

8 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022	2021
	£	£
Depreciation and amortisation	66,990	59,793
Operating lease rentals	72,638	65,289
Auditor's remuneration (excluding VAT):		
Audit	21,700	19,700
Other services	4,150	2,100

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

Staff costs were as follows:

	2022 £	2021 £
Salaries, wages and related costs	865,464	824,929
Social security costs	68,808	66,234
Employer's contribution to defined contribution pension schemes	48,294	53,101
	<b>982,566</b>	<b>944,264</b>

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

	2022 No.	2021 No.
£60,000 – £69,999	-	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £292,136 (2021: £367,884).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

The members of the Board of Trustees receive no remuneration for their services. During the year 4 (2021: 2) members were reimbursed travel and incidental expenses incurred in respect of their services to the Group totalling £1,758 (2021: £521). Included in creditors at the year end is £nil (2021: £nil) owed to Trustees for their expenses. The premium for trustee indemnity insurance for members of the Board of Trustees was £2,408 (2021: £1,429).

**10 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was 61 (2021: 45).

**11 Related party transactions**

During the year the company purchased goods (net of VAT) totalling £9,381 (2021: £18,518) from Chandler Material Supplies Limited, a company controlled by family members related to Roy Chandler, a director of Essex Waterways Limited. The balance due to Chandler Material Supplies Limited as at 31 December 2022 was £150 (2021: £1,201). All transactions were undertaken on a commercial arm's length basis.

Aggregate donations from related parties were £Nil (2021: £441).

**12 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

13 Intangible fixed assets

	IT software and website	Total
	£	£
<b>Group and Charity Cost</b>		
At the start of the year	91,344	<b>91,344</b>
Additions in year	5,593	<b>5,593</b>
Disposals in year	-	-
	<hr/>	<hr/>
At the end of the year	96,937	<b>96,937</b>
<b>Amortisation</b>		
At the start of the year	15,042	<b>15,042</b>
Charge for the year	18,254	<b>18,254</b>
Eliminated on disposal	-	-
	<hr/>	<hr/>
At the end of the year	33,295	<b>33,295</b>
<b>Net book value At the end of the year</b>	<hr/> <hr/>	<hr/> <hr/>
	63,642	<b>63,642</b>
	<hr/> <hr/>	<hr/> <hr/>
At the start of the year	76,302	76,302
	<hr/> <hr/>	<hr/> <hr/>

All of the Charity's fixed assets are held for charitable purposes.

14 Tangible fixed assets

	Buildings and leasehold improvements	Computer equipment	Plant and equipment	Motor vehicles	Total
Group Cost	£	£	£	£	£
At the start of the year	33,043	14,401	629,147	185,425	862,016
Additions in year	5,145	6,368	7,374	-	18,887
Disposals in year	-	-	-	-	-
At the end of the year	38,188	20,769	636,521	185,425	880,903
<b>Depreciation</b>					
At the start of the year	13,893	14,121	325,861	182,781	536,656
Charge for the year	4,243	280	43,104	1,109	48,736
Eliminated on disposal	-	-	-	-	-
At the end of the year	18,136	14,401	368,965	183,891	585,393
<b>Net book value</b>					
<b>At the end of the year</b>	20,052	6,368	267,556	1,534	295,510
At the start of the year	19,150	280	303,286	2,644	325,360

	Computer equipment	Plant and equipment	Motor vehicles	Total
Charity Cost	£	£	£	£
At the start of the year	14,401	104,718	164,393	283,512
Additions in year	6,368	2,485	-	8,853
Disposals in year	-	-	-	-
At the end of the year	20,769	107,203	164,393	292,365
<b>Depreciation</b>				
At the start of the year	14,121	101,202	164,393	279,716
Charge for the year	280	1,488	-	1,768
Eliminated on disposal	-	-	-	-
At the end of the year	14,401	102,690	164,393	281,484
<b>Net book value</b>				
<b>At the end of the year</b>	6,368	4,513	-	10,881
At the start of the year	280	3,516	-	3,796

All of the Charity's fixed assets are held for charitable purposes.

Notes to the financial statements

For the year ended 31 December 2022

15 Investment properties

	2022	2021
	£	£
<b>Group and charity</b>		
Fair value at the start of the year	375,000	343,000
Additions	-	-
Disposals	-	-
Revaluation during the year	-	-
	<u>375,000</u>	<u>343,000</u>

A professional valuation carried out by Berrys, property advisors, reported a value of £375,000 at 31 December 2021.

As the property cannot be sold, the professional valuation is assessed on the basis of the right to receive rental income. A tenancy contract was in place at 31 December 2021, achieving a rental in line with that assumed in the valuation.

16 Investments

	2022	2021
	£	£
Fair value at the start of the year	1,430,799	1,409,842
Additions at cost	289,665	323,635
Disposal proceeds	(393,485)	(391,963)
Net gain / (loss) on change in fair value	(213,751)	89,285
	<u>1,113,227</u>	<u>1,430,799</u>
Cash held by investment advisors pending reinvestment	7,612	12,115
	<u>1,120,840</u>	<u>1,442,914</u>

Investments comprise:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Listed investments	1,113,229	1,430,797	1,113,229	1,430,799
Other investments	-	2	-	-
Loan to Essex Waterways Ltd	-	-	20,049	31,953
Cash deposits	7,612	12,115	7,612	12,115
Shares in subsidiary companies	-	-	4	4
	<u>1,120,840</u>	<u>1,442,914</u>	<u>1,140,893</u>	<u>1,474,871</u>

The loan to Essex Waterways Limited is secured by a fixed and floating charge over all the assets of the company, an interest rate of Barclays bank's base rate plus 3% is repayable annually. Capital repayments coincide with the depreciation of the fixed assets held by the borrower.

**Name**

Wholly owned subsidiaries of the charity:

Essex Waterways Limited  
Inland Waterways Enterprises Ltd  
Waterway Recovery Group Ltd

**Business activity**

Manages the Chelmer & Blackwater Navigation  
Undertakes shop and event trading  
Dormant – non trading

Inland Waterways Enterprises Ltd was actively trading in 2022 but did not meet the trading limit and therefore had its income and expenses transferred over to Inland Waterways Association (2021: active).



**17 Subsidiary undertaking**

The Charity owns the whole of the issued ordinary share capital of Inland Waterways Enterprises Limited, company number 10382346 and Essex Waterways Limited, company number 05545459. Each company is registered in England and details of their activities are given in note 16. The subsidiaries are used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities.

A summary of the results of Essex Waterways Limited is shown below:

	2022 £	2021 £
Turnover	815,875	745,684
Cost of sales	(81,149)	(86,166)
<b>Gross profit/(loss)</b>	<b>734,726</b>	<b>659,518</b>
Operating costs	(749,792)	(524,556)
Administrative expenses	(14,515)	(11,206)
Management charge payable to parent undertaking	(27,250)	(27,250)
<b>Profit/(loss) on ordinary activities before interest and taxation</b>	<b>(56,831)</b>	<b>96,506</b>
Interest receivable and similar income	198	51
Interest payable	(1,936)	(1,094)
Interest payable to parent undertaking	(847)	(1,276)
<b>Profit / (loss) on ordinary activities before taxation</b>	<b>(59,416)</b>	<b>94,187</b>
Taxation on profit on ordinary activities	-	-
<b>Profit / (loss) for the financial year</b>	<b>(59,416)</b>	<b>94,187</b>
<b>Retained earnings</b>		
Total retained earnings brought forward	238,568	144,381
Profit / (loss) for the financial year	(59,416)	94,187
Distribution under Gift Aid to parent charity	-	-
<b>Total retained earnings carried forward</b>	<b>179,152</b>	<b>238,568</b>
The aggregate of the assets, liabilities and reserves was:		
Assets	382,641	474,660
Liabilities	(192,797)	(225,401)
<b>Reserves</b>	<b>189,844</b>	<b>249,259</b>

Essex Waterways Limited's total reserves of £189,844 include a £10,690 revaluation reserve and £1 share capital, as well as its retained earnings.

The subsidiary owed its parent £20,049 (2021: £36,088) at year end, comprising a long term loan of £20,049 (2021: £31,953) and recharges of £nil (2021: (£4,135)).

**18 Parent charity**

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

	2022 £	2021 £
Gross income	928,045	1,119,113
Result for the year	(321,401)	10,830

19 Stock

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Goods for resale	13,347	10,529	13,347	10,529
	<b>13,347</b>	<b>10,529</b>	<b>13,347</b>	<b>10,529</b>

20 Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	16,777	50,226	15,579	237
Amounts due from associated undertakings	-	-	24	-
Taxation and social security	-	-	-	2,437
Other debtors, accrued income and prepayments	102,360	203,754	94,941	191,445
	<b>119,137</b>	<b>253,980</b>	<b>110,544</b>	<b>194,119</b>

21 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	61,779	69,200	41,530	49,642
Taxation and social security	30,685	20,673	8,012	-
Life membership account	1,744	1,690	1,744	1,690
Other creditors	86,144	104,298	59,763	63,461
Victoria Loan payments due	5,500	5,500	-	-
Amounts due to associated undertakings	-	-	-	32,378
Deferred income (note 22)	38,946	56,139	3,781	8,450
	<b>224,798</b>	<b>257,500</b>	<b>114,830</b>	<b>155,621</b>

At the balance sheet date, IWA held funds on behalf of Lancaster Canal Regeneration Partnership (LRCP) in a separate bank account amounting to £16,362 (2021: £16,362). These funds have not been accounted for as assets or liabilities of the IWA.

22 Deferred income (group)

Deferred income at year end comprises income received in advance for waterways events due to be held in 2023, annual canoe licence fees paid in advance, trip boat hire booked in advance, some mooring income paid in advance and some small grants awarded for future year activities.

	2022	2021
	£	£
Balance at the beginning of the year	56,139	55,333
Amount released to income in the year	(56,139)	(55,333)
Amount deferred in the year	38,946	56,139
	<b>38,946</b>	<b>56,139</b>

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

**Life Membership & Victoria Loan account**

The balance on the life membership & Victoria Loan account will be applied as follows:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Life membership	4,069	5,222	4,069	5,222
Loan for trip boat Victoria	18,792	24,292	-	-
	<b>22,861</b>	<b>29,514</b>	<b>4,069</b>	<b>5,222</b>
Repayable in greater than 5 years	505	1,071	-	1,071

The life membership subscriptions due after five years fall as follows:

2028	285
2029	173
2030	47

The purchase of Trip Boat Victoria was part funded by a loan of £55,000, which is repayable over 10 years with an interest rate of base rate plus 3%. The annual capital repayment is £5,500p.a, except in 2027 where it will be £2,292.

**24a Analysis of net assets between funds (current year)**

Group	General			Total funds
	unrestricted	Designated	Restricted	
	£	£	£	£
Intangible fixed assets	63,642	-	-	63,642
Tangible fixed assets	262,490	-	33,020	295,510
Investment properties	-	-	375,000	375,000
Investments	128,254	70,655	921,931	1,120,840
Net current assets	242,238	164,825	-	407,063
Long term liabilities	(22,861)	-	-	(22,861)
<b>Net assets at 31 December 2022</b>	<b>673,763</b>	<b>235,480</b>	<b>1,329,951</b>	<b>2,239,194</b>

**24b Analysis of net assets between funds (prior year)**

Group	General			Total funds
	unrestricted	Designated	Restricted	
	£	£	£	£
Intangible fixed assets	76,302	-	-	76,302
Tangible fixed assets	291,210	-	34,150	325,360
Investment properties	-	-	343,000	343,000
Investments	248,898	256,262	937,754	1,442,914
Net current assets	345,016	155,330	-	500,346
Long term liabilities	(29,514)	-	-	(29,514)
<b>Net assets at 31 December 2021</b>	<b>931,912</b>	<b>411,592</b>	<b>1,314,904</b>	<b>2,658,408</b>

25a Movements in funds (current year)

Group	At 1 January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
<b>Restricted funds:</b>					
Charles Hadfield Fund	5,856	-	-	-	5,856
Lancashire Canals Fund	96	-	-	-	96
The Christopher Power Award Fund	5,385	-	(1,000)	-	4,385
The New Power Family Award Fund	23,603	-	-	-	23,603
Research & Studies Fund	3,701	-	-	-	3,701
Waterway Recovery Group Fund	132,094	11,430	(23,383)	(18,000)	102,141
Frederick Woodman Fund	3	-	-	-	3
J Faulkner Fund	31,164	-	(1,438)	-	29,726
Keith Ayling Legacy Fund	1,376	-	-	-	1,376
Averil Dobson Legacy Fund	304,112	-	-	-	304,112
Mary Jackson Legacy Boat House Fund	343,000	32,000	-	-	375,000
Alison Spooner Legacy Fund	140,468	-	-	-	140,468
Kenneth Todd Legacy Fund	1,000	-	-	-	1,000
Historic England Fund	4,047	11,555	(11,285)	-	4,317
Essex Waterways Ltd Trip Boat Grant	21,854	-	-	-	21,853
Essex Waterways Ltd City Boat Grant	11,167	-	-	-	11,167
Environment Agency	4,863	-	-	-	4,863
South West Inland Waterways Regeneration Fund	44,239	1,000	(16,106)	-	29,133
David Goodwin Legacy Fund	99,256	-	-	-	99,256
John Alan Cadisch Legacy Fund	88,123	73	-	-	88,196
Walter Edward Higgs Legacy Fund	34,500	22	-	-	34,522
Restoration Hub	7,500	12,500	-	-	20,000
Aberdulais Aqueduct	-	4,360	(4,360)	-	-
Cummins Power Systems	-	12,068	(3,651)	-	8,417
Nantwich Embankment Bench	-	1,000	-	-	1,000
David Pinkney legacy For benefit of Chelmer & Blackwater	-	36,810	-	-	36,810
Gordon Edward Muspratt legacy	-	2,000	-	-	2,000
Other Grants	7,497	1,452	-	-	8,950
<b>Total restricted funds</b>	<b>1,314,904</b>	<b>126,270</b>	<b>(61,223)</b>	<b>(18,000)</b>	<b>1,361,951</b>
<b>Unrestricted funds:</b>					
Funds held by Regions and Branches	155,330	28,594	(19,099)	-	164,825
Chelmer & Blackwater Number 2 Fund	63,904	-	(63,904)	-	-
Chelmer & Blackwater Number 3 Fund	7,546	-	(7,546)	-	-
Tony Harrison legacy	118	-	-	-	118
Waterways in Progress	84,694	-	(14,157)	-	70,537
Loan facility to EWL	100,000	-	-	(100,000)	-
<b>Total designated funds</b>	<b>411,592</b>	<b>28,594</b>	<b>(104,706)</b>	<b>(100,000)</b>	<b>235,480</b>
<b>Revaluation reserve</b>	<b>10,690</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,690</b>
<b>General funds</b>	<b>921,222</b>	<b>1,309,006</b>	<b>(1,717,156)</b>	<b>118,000</b>	<b>631,073</b>
<b>Total unrestricted funds</b>	<b>1,343,504</b>	<b>1,337,600</b>	<b>(1,821,862)</b>	<b>-</b>	<b>877,243</b>
<b>Total funds</b>	<b>2,658,408</b>	<b>1,463,870</b>	<b>(1,883,084)</b>	<b>-</b>	<b>2,239,194</b>

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

25b Movements in funds (prior year)

Group	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
<b>Restricted funds:</b>					
Charles Hadfield Fund	5,856	-	-	-	5,856
Lancashire Canals Fund	96	-	-	-	96
The Christopher Power Award Fund	6,385	-	(1,000)	-	5,385
The New Power Family Award Fund	23,603	-	-	-	23,603
Research & Studies Fund	5,923	-	(2,222)	-	3,701
Waterway Recovery Group Fund	146,913	22,656	(31,512)	(5,963)	132,094
Frederick Woodman Fund	3	-	-	-	3
J Faulkner Fund	31,164	-	-	-	31,164
Keith Ayling Legacy Fund	1,376	-	-	-	1,376
Averil Dobson Legacy Fund	306,612	-	(2,500)	-	304,112
Mary Jackson Legacy Boat House Fund	343,000	-	-	-	343,000
Alison Spooner Legacy Fund	140,468	-	-	-	140,468
Kenneth Todd Legacy Fund	1,000	-	-	-	1,000
Historic England Fund	3,413	22,025	(21,391)	-	4,047
Heritage Lottery Fund	(4,570)	14,515	(9,945)	-	-
Essex Waterways Ltd Trip Boat Grant	23,140	-	(1,286)	-	21,854
Essex Waterways Ltd City Boat Grant	-	12,000	(833)	-	11,167
Environment Agency	10,616	-	(5,753)	-	4,863
South West Inland Waterways Regeneration Fund	-	55,739	(11,500)	-	44,239
David Goodwin Legacy Fund	-	99,256	-	-	99,256
John Alan Cadisch Legacy Fund	-	88,123	-	-	88,123
Walter Edward Higgs Legacy Fund	-	34,500	-	-	34,500
Restoration Hub	-	7,500	-	-	7,500
Other Grants	3,614	11,024	(9,802)	2,661	7,497
<b>Total restricted funds</b>	<b>1,048,612</b>	<b>367,338</b>	<b>(97,744)</b>	<b>(3,302)</b>	<b>1,314,904</b>
<b>Unrestricted funds:</b>					
Funds held by Regions and Branches	154,934	29,166	(26,109)	(2,661)	155,330
Chelmer & Blackwater Number 2 Fund	63,904	-	-	-	63,904
Chelmer & Blackwater Number 3 Fund	50,000	-	(42,454)	-	7,546
Tony Harrison legacy	118	-	-	-	118
Waterways in Progress	100,000	-	(15,306)	-	84,694
Loan facility to EWL	-	-	-	100,000	100,000
Total designated funds	368,956	29,166	(83,869)	97,339	411,592
<b>Revaluation reserve</b>	<b>10,690</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,690</b>
<b>General funds</b>	<b>1,114,124</b>	<b>1,463,002</b>	<b>(1,561,867)</b>	<b>(94,037)</b>	<b>921,222</b>
<b>Total unrestricted funds</b>	<b>1,493,770</b>	<b>1,492,168</b>	<b>(1,645,736)</b>	<b>3,302</b>	<b>1,343,504</b>
<b>Total funds</b>	<b>2,542,382</b>	<b>1,859,506</b>	<b>(1,743,480)</b>		<b>2,658,408</b>

**Purposes of restricted funds**

The Charles Hadfield Fund was a bequest to assist the Association's campaign to promote inland shipping.

The Lancashire Canals Fund was created from a bequest for the upkeep of Lancashire Canals.

The Christopher Power Award Fund was a bequest to provide an annual financial award for the most significant contribution to waterway restoration.

The New Power Family Award Fund was established to fund waterways restoration, particularly new projects.

The Research and Studies Fund represents donations to assist with structural restoration reports.

The Frederick Charles Woodman Fund was established to fund restoration work on the Grantham Canal.

The John Faulkner Fund was created from a part of a bequest and is for the upkeep and improvement of Northamptonshire Waterways.

The Keith Ayling Legacy Fund is used to help fund the Derbyshire County Council Waterways Officer.

The Averil Dobson Legacy Fund will be used towards the restoration of The Lancaster Canal (particularly the Northern Reaches).

The Mary Jackson Boat House was a bequest from which the charity may generate residential rental income for general funds. It is treated as an investment property in the accounts and may not be sold.

The Alison Spooner Legacy Fund was a bequest to be used towards the Restoration Fund for the Cotswold Canals.

The Kenneth Todd Legacy Fund was a bequest to be used towards the Cumbria project.

The Historic England Fund comprises grant proceeds from Historic England to fund specific waterway restoration activities by the Restoration Hub.

The Heritage Lottery Fund is grant proceeds from Heritage Lottery Fund enabling Restoration Hub to facilitate guidance, training and digital resource programmes that will enhance the future of waterway restorations.

Essex Waterways Trip Boat was a grant provided by European LEADER Funds via The Rural Community Council of Essex for the purchase of a Trip Boat to be used to benefit the community on the Chelmer & Blackwater Navigation.

The Environment Agency grant funds the Fisheries Improvement Project, being the construction of fishing landing stages on the Chelmer & Blackwater Navigation.

Funding for the Essex Waterways City Boat was provided by One Chelmsford towards the purchase of a boat, and the set up of the River Boat Rides project in Chelmsford.

The South West Inland Waterways Regeneration Fund has been established to provide small grants for waterway regeneration in the South West.

The David Goodwin Legacy Fund is a bequest to be used for the purpose of restoration or maintenance of one or more specific canals or waterways.

The John Alan Cadisch Legacy Fund is a bequest to the Waterway Recovery Group to be used for canal restoration projects.

The Walter Edward Higgs Legacy Fund is a bequest to the Waterway Recovery Group.

**Purposes of designated funds**

Income raised and expenditure spent by regions and branches are designated against those regions and branches. Occasionally grants are received by branches for restricted purposes and these are transferred to restricted funds.

The Chelmer and Blackwater Number 2 Fund was established to assist with works on the Chelmer & Blackwater Navigation.

The Chelmer and Blackwater Number 3 Fund was established to further assist with repairs and refurbishments on the Chelmer & Blackwater Navigation.

The Tony Harrison legacy fund was established to fund a number of waterways projects across the network. These projects were on the Montgomery Canal, the River Stour, the Cromford Canal and the Pocklington Canal.

The Waterways in Progress Fund will pay grants awarded in response to IWA's invitation to waterways groups in 2019 to bid for funding to run projects that promote the benefit of restoration schemes. The fund comprises unrestricted legacy income previously bequeathed to IWA.

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

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

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Less than one year	<b>19,386</b>	35,000	<b>4,112</b>	4,112
One to five years	<b>27,981</b>	8,750	<b>-</b>	4,112
	<b>47,367</b>	43,750	<b>4,112</b>	8,224

**27 Operating lease commitments receivable as a lessor**

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods

	<b>Property</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Less than one year	<b>27,120</b>	27,120
	<b>27,120</b>	27,120

**28 Legal status of the charity**

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