

Company number: 00612245

Charity number: 212342

The Inland Waterways Association

Report and financial statements

For the year ended 31 December 2023



**INLAND
WATERWAYS**
ASSOCIATION

The Inland Waterways Association

Contents

For the year ended 31 December 2023

Reference and administrative information	1
Trustees' annual report	3
Independent auditor's report	19
Statement of financial activities (incorporating an income and expenditure account)	24
Balance sheet	25
Statement of cash flows	26
Notes to the financial statements	27

The Inland Waterways Association

Reference and administrative information

For the year ended 31 December 2023

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
David Chapman
Claire Norman
Susan O'Hare
Hannah Rigley nee Sterritt
Michael Wills
Rebecca Hughes (until February 2023)
John Butler (until September 2023)
Leslie Etheridge (until September 2023)
Nicholas Dybeck (until May 2024)
Stuart Craig (from September 2023)
Peter Marlow (from September 2023)
Paul Strudwick (from September 2023)
Thomas White (from September 2023 to February 2024)
Paul Lynam (from February 2024 to May 2024)
Ian Sesnan (from July 2024)

Company Secretary Genevieve Wilson (until February 2023)
Vedyamala Reddy (From February 2023 to May 2024)
Neil Edwards (From May 2024)

The Inland Waterways Association

Reference and administrative information

For the year ended 31 December 2023

Key management personnel	David Pearce	Chief Executive Officer (January 2023 to April 2023)
	Sarah Niblock	Chief Executive Officer (from June to September 2023)
	Tracy Higgin	Administration Manager
	Genevieve Wilson	Finance Manager (until Feb 2023)
	Vedyamala Reddy	Finance Manager (from Feb 2023 to May 2024)
	Ross Field	Operations Manager (from October 2022 to Oct 2023)
	David Smart	General Manager, Essex Waterways Ltd (from Jan 2023)

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Investment advisers

Quilter Cheviot
Senator House
85 Queen Victoria Street
London
EC4V 4AB

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
110 Golden Lane
London
EC1Y 0TG

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2023

The trustees present their report and the audited financial statements for the year ended 31 December 2023.

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.

The objects for which the Association is established are:

For the public benefit to advocate the conservation, use, maintenance and development of the inland waterways of the British Isles, the works relating thereto and any craft or buildings or structures now or previously associated therewith, to advocate and promote the restoration and the maintenance in good condition of such waterways and associated craft and buildings and structures and advocate and promote their fullest use for appropriate commercial and recreational purposes.

To educate the public and other bodies about the use and benefits of such waterways whether by the production of leaflet, magazines, the conduct of seminars or workshops or such other means as the Association may from time to time determine.

To promote and commission research into inland waterways and publication of the results of such research.

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. 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, non-profit-making organisations interested in restoration,

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2023

regeneration and the well-being of the inland waterways. 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 because of the tireless campaigning work of IWA and its volunteers over the last 78 years. Over 500 miles of derelict waterways have been brought back to life through the work of IWA, its Waterway Recovery Group and restoration groups. 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 leisure boats, paddlers, anglers, cyclists, and walkers and are enjoyed by millions. IWA provides ongoing protection to this network, as well as supporting the regeneration of a further 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 and land managers. IWA works closely with these bodies to influence policy and decision-making, whilst constructively challenging them to work in the best interest of the waterways and public benefit.

We also work with a wide range of national and local authorities, voluntary, charitable, 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 it is a thriving asset for the benefit of the local community.

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

IWA's work is carried out by a small, dedicated staff team based in Chesham and 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 a range of local organisations 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 and covers 44% of total expenditure excluding fundraising costs; the remainder is covered by donations, gifts in wills, grants, trading activities and income from IWA's investments.

What we aim to achieve

High-Level Strategic Objectives, 2022–2027

In 2022, the Board completed a major review of the Association's High-Level Strategic Objectives, and these were formally accepted in January 2023. In January 2024, trustees reviewed them and approved amendments to objectives 1 and 5, and the addition of objective 6.

1. To campaign for the preservation, regeneration, improvement and protection of inland waterways, and to be recognised as the organisation that shapes the national agenda.
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 adapt to the climate emergency.
5. To become a sustainable organisation supported by its members and a diverse and representative board working together and operating as one team across the charity.
6. To promote the interests of all waterway users.

These High-Level Strategic 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

There was an optimistic start to 2023 as strategies had been put in place through late 2022 and early 2023 to bring expenditure closer to income in the following 24 months, and a medium term (one year) strategy had been set out for achieving the 2022–27 Objectives whilst recognising the existential risks identified in the Risk Register at the January 2023 Trustee meeting. However, with two Chief Executive Officers coming and going between January 2023 and September 2023 as well as other staff changes, the lack of continuity made progress difficult.

Nevertheless, it is to the credit of those involved that a successful campaign to protect our waterways from a range of threats was launched in Spring 2023. This led to a wider campaign, in collaboration with many other waterways organisations, to campaign for national and local government to urgently act and protect the public benefit and natural capital of our waterways. *Fund Britain's Waterways* is a coalition of organisations representing hundreds of thousands of users and supporters of inland waterways. As a founder member, and active on the steering group, IWA placed this at the centre of its campaigning agenda.

Campaign cruises in Birmingham, Gloucester and Westminster brought the message to a wide audience and attracted significant media attention, and a petition raised more than 50,000 signatures. The campaign continues to gain momentum and activities have continued to run through 2024.

IWA's publication *Waterways for Today*, which was published in September 2022, continues to be a reference point for campaigning. Due to the difficulties with senior staff continuity, it was necessary to deploy volunteers in some senior management roles in the intervening periods. These volunteers met on a regular basis and brought stability to the Association.

The Association has continued to deliver public benefit through, for example, its programme of Canal Camps. These provide restoration groups with experienced volunteers, mechanised plant, and skilled leadership for a period of concentrated activity to carry out significant projects. The Camps provide opportunities for everyone to volunteer, where they can learn the skills of practical restoration. The Camps have also helped many Duke of Edinburgh participants with their goals. In 2023 these camps hosted over 100 volunteers and included work to rebuild locks on the Derby Canal and the Cotswold Canals, working with Lichfield and Hatherton Canals Restoration Trust on a nature trail and ecology park, and stabilisation work on an historic lock on the Louth Canal.

The annual Restoration Conference, organised jointly by IWA, Canal & River Trust and the Chesterfield Canal Trust brought together about 80 delegates from restoration groups and other waterways bodies from across the country to learn and share knowledge and experience. The theme, *Creating a Sustainable Waterway*, looked at the cycle of restoration from dereliction through to a sustainable future.

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 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 Pelsall at the Festival of Water. These two IWA-organised events provided 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. IWA also had a presence at other major canal events such as those at Crick, Rickmansworth and Braunston. At a local level too, IWA branches promoted waterways, often working in conjunction with waterway societies and navigation authorities.

Following the departure of the CEO in September 2023, trustees felt that a pause was necessary to allow time for a comprehensive review of the Association's position. Arrangements were put in place for an interim management team to maintain 'business as usual' for outward facing activities including the *Fund Britain's Waterways* campaign, social media and communication with the waterways press as well as leadership of staff and volunteer teams. Simultaneously, a survey of members was carried out, together with an assessment of what a sustainable Association delivering its public benefit could look like based on the income it could generate.

There was good response to the survey and clear indications of the areas that IWA should focus on to attract and retain members, namely campaigning to maintain existing waterways and restoration of formerly navigable waterways. The need to raise the profile of IWA to assist fundraising and campaigning was also made clear. This was followed up with the appointment of named trustees to take responsibility for (a) Campaigns & Navigation, (b) Restoration, (c) Membership & Environment, and (d) Finance.

Trustees reviewed the situation in April 2024 and concluded that there had been progress in steadying management of the Association, in putting finances on a steadier footing, and with the *Fund Britain's Waterways* campaign, in particular. However, there remained other areas that required attention, including rejuvenating the Waterway Restoration Hub, staff leadership, and resource limitations.

Plans and Strategy for the next 12 months

- Our support and active role in the *Fund Britain's Waterways* campaign will continue.
- We will develop new ways of engaging and influencing the government to promote waterways for leisure living and business.
- The Waterways Restoration Hub will be revitalised, following research into the needs of the waterways restoration sector.
- We will continue with the ongoing work to control expenditure in line with reliable sources of income and improve efficiency and timeliness of financial reporting.
- Despite frustrations in finding suitable candidates of sufficient calibre we intend to appoint a senior employee to lead campaign work and reduce the demands on the volunteer Management Committee
- We will continue to utilise suitable qualified professionals to assist in delivering the Association's aims and objectives, and maintain the high standards of leadership and support given to the waterways sector

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.

Our national volunteer awards recognise outstanding achievements, and in September 2023 awards were made to:

Richard Bird Medals:	Dave Pearson and Alan Smith.
Christopher Power Prize:	John Dodwell and Montgomery Waterway Restoration Trust
Vivian John Bulkeley Johnson Salt:	John Spencer
Branch Achievement Award:	IWA Birmingham Black Country and Worcestershire Branch
Cyril Styring Award:	Christine Smith

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

Financial review

The main sources of income were subscriptions, legacies and donations. Our subsidiary Essex Waterways Limited runs the Chelmer and Blackwater Navigation on a standalone basis. Its income comes mainly from mooring fees, with growing revenue streams in canoe licences and boat trips. Both IWA and Essex Waterways Ltd have the benefit of very significant voluntary commitment.

In common with many charities, maintaining subscription income has been challenging. In 2023 a small decline in membership retention was offset by an increase in rates to catch up with inflation. We continue to receive donations, and bequests for which we are extremely grateful.

The Charity has looked at all its costs and has made some changes. The Head Office was moved from its former premises at Island House at expiry of its lease to a smaller, serviced office. Where staff have left, they have been replaced only where necessary to continue with core administration and achieving the key objectives.

Canalway Cavalcade once again proved financially successful as well as bringing a vibrant boating spectacle to central London. The Festival of Water at Pelsall made a small loss in challenging conditions. The sale of Christmas cards and calendars once again brought in a useful profit to help both finances and broadcasting IWA's message.

Expenditure on charitable activity was £880,969 (2022: £848,117) which includes £637,524 (2022: £593,585) on our campaigns to protect the waterways. Roughly 22% of this was funded by

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2023

membership subscriptions, 35% from unrestricted donation and legacies and a further 3% funded by other charitable activities. Essex Waterways Limited made an operating surplus of £138,415 on trading income of £890,591. Inland Waterways Enterprises Limited did not trade in 2023.

Essex Waterways Ltd had a very successful year financially in 2023, with a new General Manager holding tight reins on expenditure and making trading activities more profitable. Part of the year's surplus was, however, due to a very wet autumn that frustrated some planned maintenance works. Over the 2023 - 2024 winter, the Navigation suffered no less than eight serious flooding events, where much of the Navigation, towpaths and adjacent land was under water for long periods. Fortunately, the previous winter had seen an extensive catch up on lock gate works, and the Navigation has remained in good shape to deal with these challenges and the stresses of ever-increasing numbers of visitors.

Principal funding sources

The Association's principal funding sources for 2023 were:

	Unrestricted	Restricted
	£	£
Subscriptions from members	384,924	-
Donations	24,291	62,492
Legacies	247,325	981
Investment income	44,353	26,042

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

Legacies

The Inland Waterways Association is very grateful for bequests during the year totalling £248,306. 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
Frank Richard Dawson
Christopher William Groves
Joan Shirley Dalby
Roderick Richard John Brown
Andrew Piers Crane
Barbara Catherine Blossom
Juana Sara Luisa Tinker
Patricia Avril Barrett

Total incoming resources for the group available during 2023 were £1,890,454 (2022: £1,645,622). This enabled expenditure of £1,808,219, (2022: £1,883,087). After taking account of the gain on

investments of £45,902 (2022: loss of £213,751) the total funds carried forward at the year-end stood at £2,367,331 (2022: £2,239,194).

Fundraising

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 few but include annual information about our Club 500. 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.

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.

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:

Historic England
Cummins Power Systems
Northumbrian Water
Essex County Council

Investment performance

At 31st December 2023 the value of listed investments was £98,822 and together with the cash held by our investment advisers and awaiting re-investment, amounted to £1,192,642, compared to £1,120,840 at 31st December 2022. During the year investment income amounted to £34,042 (2022: £31,162).

In the first quarter of 2024 the cash held by our investment advisers was re-invested in two portfolios. The larger portfolio is invested in Government securities and other financial instruments to better protect the value of our restricted and designated funds, and therefore these investments are of a short-term nature. The smaller portfolio is invested in equities and is part of the general fund. The decision to use two portfolios was taken after the Investment Policy was approved by the Trustees.

The investment working group will continue to monitor both portfolios during the year. It meets with the investment managers at least twice a year, and the group will continue to monitor closely the performance against the benchmark for the forthcoming year.

Prior period adjustments

Attention is drawn to note 29 of the accounts, prior period adjustments, which details an adjustment between restricted and unrestricted funds. For many years up to the 2018 accounts all investment earnings were attributed to unrestricted funds and income at bank deposit rates were attributed to restricted funds. For 2019 to 2022, deposit interest rates were so low that no interest was applied to restricted funds. The Trustees have now been advised that, given the extent to which the Association's investment portfolio represents unspent restricted funds, the restricted funds should bear and should previously have borne an appropriate proportion of the investment gains and losses, dividend income and investment management fees. This adjustment corrects for this.

Key policies

Investment policy

1. Introduction

The overall financial objective is in two distinct parts:

1. for restricted and designated funds, short-term reserves, bonds of not less than class AAA or Gilts emphasising certainty of value, for which purposes the sum of £1M has been allocated for 2024 and will be reviewed regularly,
2. for general funds, longer-term, invested to support the reserve policy

2. Investment objective is

- to produce best financial return with a negligible level of risk for the restricted and designated funds
- to produce a total return of at least Consumer Price Index plus 3.5% for the long-term funds held

3. Risk for Longer Term Funds

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

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2023

4. Liquidity

- minimum 90% in assets realisable within 3 months; minimum 2% in cash/near cash

5. Time Horizon

- restricted and designated funds: less than 3 years
- free reserve: greater than 3 years

6. Ethical Policy

- invested in line with the Association 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 Working Group monitors the investment manager
- investment management is delegated to an investment manager
- performance is monitored against agreed market benchmarks and the investment objective of CPI +3.5% over the long term.

Principal risks and uncertainties

Maintaining a regular review of risk is one of trustees' key duties. Since 2020 the trustees have maintained a working group, which carries out a thorough review of Risk Management.

The working group, which includes key trustees with differing backgrounds and experience, keeps the Risk Register under review and reports periodically to the board of trustees via the finance committee. The trustees have a clear picture of where IWA needs to be focusing its energy and resources. The finance committee, on behalf of the board of trustees, is responsible for setting the levels for risk appetite.

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. Whilst the Register has been tweaked at various times during the year and in the first half of 2024, major preoccupations have been the challenges of controlling expenditure within the bounds of reliable income, and finding suitably capable senior campaign staff to relieve the Management Committee and trustees of its current high levels of hands-on management. The Association's financial position has improved during the year, as set out above and in the financial statements, but the appointment of senior staff remains a frustrating process.

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 after depreciation
- Restricted funds.
- Designated funds.
- Any loans or guarantees agreed, whether or not drawn down
- 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 irrevocably 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 allocated or offered to an intended recipient, but for which there is not yet an irrevocable commitment.
- Funds held by branches and regions.

Where expenditure fulfils the criteria of a restricted fund, it is usually charged against that fund, rather than against 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.
- Urgent major expenditure on waterway restoration or campaign

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 charity free reserves at 31 December 2023 was as follows:

Free Funds	£
General fund	497,519
Less unrestricted tangible fixed assets	(12,689)

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2023

Less unrestricted intangible assets	(7,981)
Adjusted Free Funds	476,849

Going concern statement

The trustees have carried out a detailed assessment of the organisation's going concern status. The assessment utilises the use of only the General Fund, excluding fixed assets as well as ignoring Restricted Funds.

Projections of the income and expenditure and of the resulting cashflow have been tested through several scenarios. Areas of higher risk, such as falls in the value of investments and reduction in legacy income, have received particular attention.

The Association benefits from a variety of income streams, some more stable and dependable than others. This does, however, spread the risk of a significant reduction in income.

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

Both the Finance Committee and the trustees have reviewed and challenged the assessments and are satisfied that the group will be able to meet its liabilities as they fall due for at least the twelve months from the date the annual accounts are approved. In the case of particularly severe and sustained falls in the value of investments, additional mitigating actions have been identified.

The financial projections for 2024 and 2025 are deemed to be grounded and in some areas conservative. The assumptions indicate a stable prudent financial position. The budgets have been prepared with a balanced approach with a stable income projection from membership, controlled expenses growth and seeks to diversify income streams. For these reasons, the board continues to adopt the going concern basis in preparing the financial statements.

Structure, Governance and Management

Organisation

The Board of Trustees consists of eleven members. Trustees held eleven formal Board meetings during 2023.

There are four principal committees of the Board of Trustees:

- Management Committee
- Finance Committee
- Navigation Committee
- Waterway Recovery Group

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2023

The Management Committee usually meets at least monthly. Other committees usually meet four to six times per annum. There are a range of sub-committees, working groups and advisory panels, including Remuneration Committee, reporting directly to trustees, or reporting to other parts of the Association.

The day-to-day operations of the charity are managed by a staff team in Chesham office who report to the Management Committee. To facilitate effective operations, the Management Committee 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 £876 including Insurance Premium Tax was paid during the year (2022: £525).

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, 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 2023.
- Waterway Recovery Group Ltd is dormant and is maintained to protect the name. Waterway Recovery Group is a trading name of the Association.

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2023

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 several 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

The trustee recruitment process is based on a skills audit and is usually carried out by a working group appointed by trustees, or occasionally by trustees direct to fulfil a particular need. The working group's 2023 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.

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2023

- Observe the methods and principles in the Charities Statement of Recommended Practice.
- 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.

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 2023 was £9,282 (2022: £10,329). 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 Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2023

The trustees' annual report has been approved by the trustees on 19th August 2024 and signed on their behalf by

Michael Wills
National Chair

Independent auditor's report

To the members of

The Inland Waterways Association

Opinion

We have audited the financial statements of The Inland Waterways Association (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2023 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 2023 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 The 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

The Inland Waterways Association

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

The Inland Waterways Association

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

The Inland Waterways Association

- 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. 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

The Inland Waterways Association

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)

17 September 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 110 Golden Lane, LONDON, EC1Y 0TG

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 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Restated (see note 29) 2022 Unrestricted £	Restated (see note 29) 2022 Restricted £	2022 Total £
Income from:							
Donations, legacies and membership subscriptions	2	656,540	63,473	720,013	573,587	66,266	639,853
Charitable activities	3	27,592	15,469	43,061	28,937	26,630	55,567
Other trading activities	4	1,055,124	1,861	1,056,985	886,479	1,374	887,853
Investments	5	44,353	26,042	70,395	36,717	25,632	62,349
Total income		1,783,609	106,845	1,890,454	1,525,720	119,902	1,645,622
Expenditure on:							
Raising funds	6	918,400	8,850	927,250	1,025,178	9,791	1,034,969
Charitable activities							
Campaign and restoration costs	6	510,302	127,222	637,524	532,361	61,223	593,585
Membership support costs	6	237,355	-	237,355	250,936	-	250,936
Public meetings and other activities	6	6,090	-	6,090	3,596	-	3,596
Total expenditure		1,672,147	136,072	1,808,219	1,812,071	71,014	1,883,087
Net income / (expenditure) before net gains / (losses) on investments		111,462	(29,227)	82,235	(286,351)	48,887	(237,465)
Net gains / (losses) on investments	16	10,787	35,115	45,902	(37,933)	(175,818)	(213,751)
Net income / (expenditure) for the year	8	122,249	5,888	128,137	(324,284)	(126,930)	(451,216)
Transfers between funds		1,000	(1,000)	-	18,000	(18,000)	-
Net income / (expenditure) before other recognised gains and losses		123,249	4,888	128,137	(306,284)	(144,930)	(451,216)
Gains on revaluation of investment property		-	-	-	-	32,000	32,000
Net movement in funds		123,249	4,888	128,137	(306,284)	(112,930)	(419,214)
Reconciliation of funds:							
Total funds brought forward		859,863	1,379,331	2,239,194	1,343,504	1,314,904	2,658,408
Prior period adjustment	29	-	-	-	(177,357)	177,357	-
Total funds brought forward (as restated)		-	-	-	1,166,147	1,492,261	2,658,408
Total funds carried forward		983,112	1,384,219	2,367,331	859,863	1,379,331	2,239,194

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.

As at 31 December 2023

	Note	Group 2023 £	Restated (see note 29) 2022 £	Charity 2023 £	Restated (see note 29) 2022 £
Fixed assets:					
Intangible assets	13	7,981	63,642	7,981	63,642
Tangible assets	14	252,106	295,510	12,689	10,881
Investment properties	15	375,000	375,000	375,000	375,000
Investments	16	1,192,644	1,120,840	1,192,648	1,140,893
		1,827,731	1,854,992	1,588,318	1,590,416
Current assets:					
Stock	19	14,029	13,347	11,748	13,347
Debtors	20	179,425	119,137	135,569	110,544
Cash at bank and in hand		678,252	499,377	488,514	427,496
		871,706	631,861	635,831	551,387
Liabilities:					
Creditors: amounts falling due within one year	21	(328,443)	(224,798)	(181,508)	(114,830)
Net current assets		543,263	407,063	454,323	436,557
Total assets less current liabilities		2,370,994	2,262,055	2,042,641	2,026,973
Creditors: amounts falling due after one year	23	(3,663)	(22,861)	(3,663)	(4,069)
Total net assets		2,367,331	2,239,194	2,038,978	2,022,904
The funds of the charity:	25				
Restricted income funds		1,384,219	1,379,331	1,357,771	1,349,596
Unrestricted income funds:					
Designated funds		183,688	235,480	183,688	235,480
Revaluation reserve		10,690	10,690	-	-
General funds		788,734	613,693	497,519	437,828
Total unrestricted funds		983,112	859,863	681,207	673,308
Total charity funds		2,367,331	2,239,194	2,038,978	2,022,904

Approved by the trustees on 19 August 2024 and signed on their behalf by

Michael Wills
National Chair

The Inland Waterways Association

Statement of cash flows

For the year ended 31 December 2023

	Note	2023 £	£	2022 £	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		128,137		(451,216)	
Amortisation charges		18,462		18,254	
Depreciation charges		52,764		48,736	
(Gains) / losses on investments		(45,902)		213,751	
Dividends, interest and rent from investments		(70,395)		(62,349)	
Loss on the disposal of fixed assets		37,199		-	
(Increase) in stocks		(682)		(2,818)	
(Increase) / decrease in debtors		(60,288)		134,843	
Increase / (decrease) in creditors		103,645		(32,701)	
Net cash provided by / (used in) operating activities			162,940		(133,500)
Cash flows from investing activities:					
Bank interest received		5,616		471	
Investment income received		64,779		61,878	
Purchase of fixed asset investments		(179,839)		(289,665)	
Purchase of tangible fixed assets		(9,360)		(18,887)	
Proceeds from sale of fixed asset investments		1,240,146		393,485	
Net cash used in investing activities			1,121,342		141,689
Cash flows from financing activities:					
Loan repayment including interest		(19,198)		(6,653)	
Net cash used in financing activities			(19,198)		(6,653)
Change in cash and cash equivalents in the year			1,265,084		1,536
Cash and cash equivalents at the beginning of the year			506,988		505,452
Cash and cash equivalents at the end of the year			1,772,072		506,988
Analysis of cash and cash equivalents and of net debt					
	At 1 January 2023 £	Cash flows £	Other non- cash changes £	At 31 December 2023 £	
Cash at bank and in hand	499,377	178,875	-	678,252	
Investment cash	7,611	1,086,209	-	1,093,820	
Total cash and cash equivalents	506,988	1,265,084	-	1,772,072	

1 Accounting policies

a) Statutory information

The 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/Charities Act 2011.

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. The accounts are prepared as full values however are presented to the nearest £1. This may cause trivial rounding errors in the financial statements.

These financial statements consolidate the results of the charity and its wholly-owned subsidiaries Inland Waterways Enterprises Limited, and Essex Waterways Limited, on a line by line basis. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented.

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 2024 and/or 2025. 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 | 51% |
| ● Campaign and restoration costs | 35% |
| ● 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 is 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
● Boats and canoes	4 to 20 years
● Buildings and leasehold improvements	4 to 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 is 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.

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, legacies and membership subscriptions

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Donations	24,291	62,492	86,783	26,232	27,362	53,594
Legacies	247,325	981	248,306	205,578	38,904	244,482
Membership subscriptions	384,924	-	384,924	341,777	-	341,777
	<u>656,540</u>	<u>63,473</u>	<u>720,013</u>	<u>573,587</u>	<u>66,266</u>	<u>639,853</u>

IWA has been notified of legacies with an estimated value of £526,709 (2022: £195,000) which have not been included in income for the year ended 31 December 2023, because either probate has not been received or IWA is not satisfied that the amount receivable can be reliably measured. The amount of £526,709 includes £300,000 of legacies attributable to the restricted funds for specified capital projects for the preservation and improvement of the Inland Waterways.

3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Publications income	2,974	-	2,974	3,080	-	3,080
Public meetings and other activities	7,402	-	7,402	5,559	-	5,559
Grant income	3,898	15,469	19,367	6,693	26,483	33,176
Fundraising	13,318	-	13,318	13,605	147	13,752
Total income from charitable activities	<u>27,592</u>	<u>15,469</u>	<u>43,061</u>	<u>28,937</u>	<u>26,630</u>	<u>55,567</u>

The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2023

4 Income from other trading activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Navigation management income	890,685	-	890,685	737,338	-	737,338
Charitable trading	7,367	-	7,367	6,926	-	6,926
Other events and activities	157,072	1,861	158,933	142,215	1,374	143,589
	<u>1,055,124</u>	<u>1,861</u>	<u>1,056,985</u>	<u>886,479</u>	<u>1,374</u>	<u>887,853</u>

5 Income from investments

	Unrestricted £	Restricted £	2023 Total £	Restated Unrestricted £	Restated Restricted £	2022 Total £
Rental income	30,737	-	30,737	30,716	-	30,716
Bank interest	5,616	-	5,616	471	-	471
Income from quoted investments	8,000	26,042	34,042	5,530	25,632	31,162
	<u>44,353</u>	<u>26,042</u>	<u>70,395</u>	<u>36,717</u>	<u>25,632</u>	<u>62,349</u>

The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2023

6a Analysis of expenditure (current year)

	Charitable activities						2023 Total £	2022 Total £
	Raising funds £	Campaign and restoration costs £	Membership support costs £	Public meetings and other activities £	Governance costs £	Support costs £		
Staff costs (Note 9)	445,004	193,225	193,920	-	6,859	27,615	866,623	982,566
Building and infrastructure costs	146,565	-	-	-	-	37,774	184,339	137,206
Meeting, travel and officers' expenses	1,084	10,914	-	-	100	2,617	14,715	6,832
Donations and grants	-	61,087	-	-	-	-	61,087	42,015
Work Party costs	-	6,878	-	-	-	-	6,878	10,528
WRG restoration costs	-	103,156	-	-	-	-	103,156	75,553
Campaign costs	-	64,652	-	-	-	-	64,652	68,177
Other direct costs	1,268	23,917	-	-	-	50,000	75,185	25,945
Restoration Hub	-	26,173	-	-	-	-	26,173	15,943
Membership and recruitment	-	26,799	17,988	-	-	-	44,787	35,560
Public meetings and other activities	-	-	-	5,437	-	-	5,437	3,357
Depreciation and amortisation	16,495	31,132	-	-	-	23,647	71,274	66,990
Investment management costs	7,273	-	-	-	-	-	7,273	7,909
Bank charges	6,917	-	-	-	-	-	6,917	13,668
Navigation management costs	172,902	21,243	-	-	250	2,824	197,219	318,381
Charitable trading	4,680	-	-	-	-	-	4,680	2,579
Other events and activities	25,652	-	-	-	-	-	25,652	35,948
Audit & accountancy fees	-	-	-	-	34,453	-	34,453	27,516
Legal and professional services	-	-	-	-	-	6,779	6,779	5,510
Trustee indemnity insurance costs	-	-	-	-	-	-	-	525
AGM and other meeting costs	-	-	-	-	938	-	938	378
	827,840	569,176	211,908	5,437	42,600	151,257	1,808,219	1,883,087
Support costs	77,564	53,329	19,855	509	-	(151,257)	-	-
Governance costs	21,845	15,020	5,592	144	(42,600)	-	-	-
Total expenditure 2023	927,250	637,524	237,355	6,090	-	-	1,808,219	
Total expenditure 2022	1,034,969	593,585	250,936	3,596	-	-		1,883,087

The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2023

6b Analysis of expenditure (prior year)

	Charitable activities						2022 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	982,566
Building and infrastructure costs	3,753	77,872	19,845	-	7,110	28,626	137,206
Meeting, travel and officers' expenses	-	6,760	-	-	72	-	6,832
Donations and grants	-	42,015	-	-	-	-	42,015
Work Party costs	-	10,528	-	-	-	-	10,528
WRG restoration costs	-	75,553	-	-	-	-	75,553
Campaign costs	-	68,177	-	-	-	-	68,177
Other direct costs	2,286	23,659	-	-	-	-	25,945
Restoration Hub	-	15,943	-	-	-	-	15,943
Membership and recruitment	-	27,200	8,360	-	-	-	35,560
Public meetings and other activities	-	-	-	3,357	-	-	3,357
Depreciation and amortisation	46,969	1,086	-	-	-	18,935	66,990
Investment management costs	7,909	-	-	-	-	-	7,909
Bank charges	13,668	-	-	-	-	-	13,668
Navigation management costs	318,381	-	-	-	-	-	318,381
Charitable trading	2,579	-	-	-	-	-	2,579
Other events and activities	35,948	-	-	-	-	-	35,948
Audit fees	-	-	-	-	27,516	-	27,516
Legal and professional services	-	-	-	-	-	5,510	5,510
Trustee indemnity insurance costs	-	-	-	-	525	-	525
AGM and other meeting costs	-	-	-	-	378	-	378
	966,101	554,088	234,239	3,357	42,889	82,411	1,883,087
Support costs	45,294	25,978	10,982	157	-	(82,411)	-
Governance costs	23,573	13,519	5,715	82	(42,889)	-	-
Total expenditure 2022	1,034,969	593,585	250,936	3,596	-	-	1,883,087

The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2023

7a Grant making (current year)

Cost	Grants to institutions £	2023 £
Swansea Canal Society Coed Park Slipway project	9,092	9,092
Devon County Council for Grand Western Canal	6,287	6,287
Friends of Exeter Ship Canal	1,710	1,710
The Rolle Canal & Northern Devon Waterways Society	11,570	11,570
Stover Canal Trust	3,600	3,600
Other grants and donations	28,828	28,828
At the end of the year	<u>61,087</u>	<u>61,087</u>

The grant payments to Swansea Canal Society 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.

The grant payment to Devon County Council was made for the purchase of new video display screens and electricity cabling to be installed in existing units in the visitor centre at Tiverton Basin on the Grand Western Canal.

The grant payment to the Friends of Exeter Ship Canal was in connection with a feasibility study for saving Gabriel's Wharf on the Canal from development.

The grant payment to the Rolle Canal & Northern Devon Waterways Society was made to assist the society investigate, preserve and explain the heritage Ridd Inclined Plane.

The grant payment to the Stover Canal Trust was made to assist it with its project for relining and rewatering Ventiford Basin at the head of the Stover canal.

7b Grant making (prior year)

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

8 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation and amortisation	71,226	66,990
Operating lease rentals	66,720	72,638
Auditor's remuneration (excluding VAT):		
Audit	23,200	21,700
Other services	6,230	4,150
	<u>6,230</u>	<u>4,150</u>

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

Staff costs were as follows:

	2023 £	2022 £
Salaries, wages and related costs	758,834	865,464
Social security costs	57,512	68,808
Employer's contribution to defined contribution pension schemes	50,277	48,294
	<u>866,623</u>	<u>982,566</u>

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

	2023 No.	2022 No.
£60,000 – £69,999	<u>1</u>	<u>–</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £286,355 (2022: £292,136).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

During the year 6 (2022: 4) members were reimbursed travel and incidental expenses incurred in respect of their services to the Group totalling £2,287 (2022: £1,758). Included in creditors at the year end is £nil (2022: £nil) owed to Trustees for their expenses. The premium for trustee indemnity insurance for members of the Board of Trustees was £876 (2022: £525).

10 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 46 (2022: 61). The total number of employees include a significant number of part time and seasonal staff.

11 Related party transactions

During the year the company purchased goods (net of VAT) totalling £5,662 (2022: £9,381) 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 2023 was £405 (2021: £150). All transactions were undertaken on a commercial arm's length basis. Aggregate donations from related parties were £2,565 (2022: £nil).

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
Group and Charity Cost	£	£
At the start of the year	96,937	96,937
Additions in year	-	-
Disposals in year	(64,043)	(64,043)
At the end of the year	32,894	32,894
Amortisation		
At the start of the year	33,295	33,295
Charge for the year	18,462	18,462
Eliminated on disposal	(26,844)	(26,844)
At the end of the year	24,913	24,913
Net book value At the end of the year	7,981	7,981
At the start of the year	63,642	63,642

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	38,188	20,769	636,521	185,425	880,903
Additions in year	-	1,014	8,346	-	9,360
Disposals in year	-	-	-	-	-
At the end of the year	38,188	21,783	644,867	185,425	890,263
Depreciation					
At the start of the year	18,136	14,401	368,965	183,891	585,393
Charge for the year	4,998	2,291	44,366	1,109	52,764
Eliminated on disposal	-	-	-	-	-
At the end of the year	23,134	16,692	413,331	185,000	638,157
Net book value At the end of the year	15,054	5,091	231,536	425	252,106
At the start of the year	20,052	6,368	267,556	1,534	295,510
		Computer equipment	Plant and equipment	Motor vehicles	Total
Charity Cost		£	£	£	£
At the start of the year		20,769	107,203	164,393	292,365
Additions in year		1,014	6,222	-	7,236
Disposals in year		-	-	-	-
At the end of the year		21,783	113,425	164,393	299,601
Depreciation					
At the start of the year		14,401	102,690	164,393	281,484
Charge for the year		2,292	3,136	-	5,428
Eliminated on disposal		-	-	-	-
At the end of the year		16,693	105,826	164,393	286,912
Net book value At the end of the year		5,090	7,599	-	12,689
At the start of the year		6,368	4,513	-	10,881

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

The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2023

15 Investment properties

	2023 £	2022 £
Group and charity		
Fair value at the start of the year	375,000	375,000
Additions	-	-
Disposals	-	-
Revaluation during the year	-	-
Fair value at the end of the year	<u>375,000</u>	<u>375,000</u>

A professional valuation carried out by Berrys, property advisors, reported a value of £375,000 at 31 December 2023.

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 2023, achieving a rental in line with that assumed in the valuation.

16 Investments

	2023 £	2022 £
Fair value at the start of the year	1,113,227	1,430,799
Additions at cost	179,839	289,665
Disposal proceeds	(1,240,146)	(393,485)
Net gain / (loss) on change in fair value	45,902	(213,751)
	<u>98,824</u>	<u>1,113,227</u>
Cash held by investment advisors pending reinvestment	1,093,820	7,612
Fair value at the end of the year	<u>1,192,644</u>	<u>1,120,840</u>

The Association seeks to produce the best financial return, preserve the capital value with a minimum level of risk. In December 2023 a significant portion of stocks were liquidated, and re-invested in short terms bonds in Q1 2024.

Investments comprise:

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Listed investments	98,824	1,113,229	98,824	1,113,229
Loan to Essex Waterways Ltd	-	-	-	20,049
Cash deposits	1,093,820	7,612	1,093,820	7,612
Shares in subsidiary companies	-	-	4	4
	<u>1,192,644</u>	<u>1,120,840</u>	<u>1,192,648</u>	<u>1,140,893</u>

The loan to Essex Waterways Limited was 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. In 2023, the loan was fully repaid.

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
Dormant
Dormant

Inland Waterways Enterprises Ltd was not actively trading in 2023 and was made dormant in 2023. In 2022, Inland Waterways Enterprises Ltd was actively trading, but did not meet the trading limit and therefore had its income and expenses transferred over to Inland Waterways Association.

17 Subsidiary undertaking

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

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

	2023 £	2022 £
Turnover	890,591	815,875
Cost of sales	(53,033)	(81,149)
Gross profit/(loss)	837,558	734,726
Operating costs	(674,166)	(749,792)
Administrative expenses	(24,344)	(14,515)
Management charge payable to parent undertaking	-	(27,250)
Profit/(loss) on ordinary activities before interest and taxation	139,048	(56,831)
Interest receivable and similar income	1,523	198
Interest payable	(2,156)	(1,936)
Interest payable to parent undertaking	-	(847)
Profit / (loss) on ordinary activities before taxation	138,415	(59,416)
Taxation on profit on ordinary activities	-	-
Profit / (loss) for the financial year	138,415	(59,416)
Retained earnings		
Total retained earnings brought forward	179,152	238,568
Profit / (loss) for the financial year	138,415	(59,416)
Distribution under Gift Aid to parent charity	-	-
Total retained earnings carried forward	317,567	179,152
The aggregate of the assets, liabilities and reserves was:		
Assets	475,290	382,641
Liabilities	(147,032)	(192,797)
Reserves	328,258	189,844

Essex Waterways Limited's total reserves of £328,258 include a £10,690 revaluation reserve and £1 share capital, as well as its retained earnings.

The subsidiary owed its parent £nil (2022: £43,304) at year end. In the prior year, the sum owed to the parent is made up of £23,255 for recharges and £20,049 as a loan to finance Essex Waterways Limited's fixed assets.

18 Parent charity

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

	2023 £	2022 £
Gross income	1,045,451	928,045
Result for the year	(10,374)	(321,401)

19 Stock

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Goods for resale	14,029	13,347	11,748	13,347
	14,029	13,347	11,748	13,347

20 Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	24,532	16,777	1,422	15,579
Amounts due from associated undertakings	-	-	-	24
Other debtors, accrued income and prepayments	154,893	102,360	134,147	94,941
	179,425	119,137	135,569	110,544

21 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	110,264	61,779	68,810	41,530
Taxation and social security	81,289	30,685	60,433	8,012
Life membership	1,744	1,744	1,744	1,744
Other creditors	74,459	86,144	43,971	59,763
Victoria Loan payments due	-	5,500	-	-
Amounts due to associated undertakings	-	-	97	-
Deferred income (note 22)	60,687	38,946	6,453	3,781
	328,443	224,798	181,508	114,830

At the balance sheet date, IWA held funds on behalf of Lancaster Canal Regeneration Partnership (LCRP) in a separate bank account amounting to £16,362 (2022: £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.

	2023	2022
	£	£
Balance at the beginning of the year	38,946	56,139
Amount released to income in the year	(38,946)	(56,139)
Amount deferred in the year	60,687	38,946
Balance at the end of the year	60,687	38,946

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	
	2023	2022	2023	2022
	£	£	£	£
Life membership	3,663	4,069	3,663	4,069
Loan for trip boat Victoria	-	18,792	-	-
	3,663	22,861	3,663	4,069
Repayable in greater than 5 years	221	505	-	-

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

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. However in 2023 the loan was paid off in full.

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

Group	General	Designated	Restricted	Total funds
	unrestricted			
	£	£	£	£
Intangible fixed assets	7,981	-	-	7,981
Tangible fixed assets	225,658	-	26,448	252,106
Investment properties	-	-	375,000	375,000
Investments	148,310	61,563	982,771	1,192,644
Net current assets	421,138	122,125	-	543,263
Long term liabilities	(3,663)	-	-	(3,663)
Net assets at 31 December 2023	799,424	183,688	1,384,219	2,367,331

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

Group	Restated	Restated	Restated	Restated
	General			
	unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Intangible fixed assets	63,642	-	-	63,642
Tangible fixed assets	265,775	-	29,735	295,510
Investment properties	-	-	375,000	375,000
Investments	75,589	70,655	974,596	1,120,840
Net current assets	242,239	164,824	-	407,063
Long term liabilities	(22,861)	-	-	(22,861)
Net assets at 31 December 2022	624,384	235,479	1,379,331	2,239,194

25a Movements in funds (current year)

Group	At 1 January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2023 £
Restricted funds:					
Charles Hadfield Fund	6,406	396	(36)	-	6,766
Lancashire Canals Fund	96	-	-	-	96
The Christopher Power Award Fund	4,891	364	(1,033)	-	4,222
The New Power Family Award Fund	25,820	1,595	(145)	-	27,270
Research & Studies Fund	4,048	250	(23)	-	4,275
Waterway Recovery Group Fund	114,547	27,264	(60,304)	110,117	191,625
Frederick Woodman Fund	6	-	-	-	6
J Faulkner Fund	32,653	2,106	(1,692)	-	33,067
Keith Ayling Legacy Fund	1,376	-	-	-	1,376
Averil Dobson Legacy Fund	332,674	20,549	(1,870)	-	351,353
Mary Jackson Legacy Boat House Fund	375,000	-	-	-	375,000
Alison Spooner Legacy Fund	153,661	9,492	(864)	-	162,289
Kenneth Todd Legacy Fund	1,000	-	-	-	1,000
Historic England Fund	4,317	1,089	(3,546)	-	1,860
Essex Waterways Ltd Trip Boat Grant	20,568	-	(1,286)	-	19,282
Essex Waterways Ltd City Boat Grant	9,167	-	(2,000)	-	7,167
Environment Agency	4,863	-	(4,863)	-	-
South West Inland Waterways Regeneration Fund	29,133	25,730	(27,457)	(1,000)	26,406
David Goodwin Legacy Fund	81,343	6,707	(610)	-	87,440
John Alan Cadisch Legacy Fund	72,291	5,954	(542)	(77,704)	-
Walter Edward Higgs Legacy Fund	28,295	2,332	(212)	(30,415)	-
Restoration Hub	20,000	263	(753)	1,000	20,510
Aberdulais Aqueduct	-	-	-	-	-
Cummins Power Systems	8,417	14,380	(22,319)	-	478
Nantwich Embankment Bench	1,000	1,000	(2,000)	-	-
David Pinkney legacy For benefit of Chelmer & Blackwater	36,810	2,487	(226)	-	39,071
Gordon Edward Muspratt legacy	2,000	-	-	(2,000)	-
Fund Britain Waterways	-	9,369	(3,980)	-	5,389
BCN Clean up	-	-	(312)	883	571
Other Grants	8,949	10,634	-	(1,881)	17,701
Total restricted funds	1,379,331	141,961	(136,074)	(1,000)	1,384,219
Unrestricted funds:					
Funds held by Regions and Branches	164,825	-	-	(42,700)	122,125
Chelmer & Blackwater Number 2 Fund	-	-	-	-	-
Chelmer & Blackwater Number 3 Fund	-	-	-	-	-
Tony Harrison legacy	118	-	-	-	118
Waterways in Progress	70,537	-	(9,092)	-	61,445
Total designated funds	235,480	-	(9,092)	(42,700)	183,688
Revaluation reserve	10,690	-	-	-	10,690
General funds	613,693	1,794,395	(1,663,054)	43,700	788,734
Total unrestricted funds	859,863	1,794,395	(1,672,146)	-	983,112
Total funds	2,239,194	1,936,356	(1,808,220)	-	2,367,331

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	Restated At 1 January 2022 £	Restated Income & gains £	Restated Expenditure & losses £	Transfers £	Restated At 31 December 2022 £
Restricted funds:					
Charles Hadfield Fund	7,463	173	(1,230)	-	6,406
Lancashire Canals Fund	96	-	-	-	96
The Christopher Power Award Fund	6,863	159	(2,131)	-	4,891
The New Power Family Award Fund	30,079	697	(4,956)	-	25,820
Research & Studies Fund	4,716	109	(777)	-	4,048
Waterway Recovery Group Fund	168,338	15,331	(51,122)	(18,000)	114,547
Frederick Woodman Fund	6	-	-	-	6
J Faulkner Fund	39,715	920	(7,982)	-	32,653
Keith Ayling Legacy Fund	1,376	-	-	-	1,376
Averil Dobson Legacy Fund	387,555	8,978	(63,859)	-	332,674
Mary Jackson Legacy Boat House Fund	343,000	32,000	-	-	375,000
Alison Spooner Legacy Fund	179,010	4,147	(29,496)	-	153,661
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	-	(1,286)	-	20,568
Essex Waterways Ltd City Boat Grant	11,167	-	(2,000)	-	9,167
Environment Agency	4,863	-	-	-	4,863
South West Inland Waterways Regeneration Fund	44,239	1,000	(16,106)	-	29,133
David Goodwin Legacy Fund	99,255	2,930	(20,842)	-	81,343
John Alan Cadisch Legacy Fund	88,123	2,674	(18,506)	-	72,291
Walter Edward Higgs Legacy Fund	34,500	1,041	(7,246)	-	28,295
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	-	-	8,949
Total restricted funds	1,492,261	151,904	(246,834)	(18,000)	1,379,331
Unrestricted funds:					
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)	-
Total designated funds	411,592	28,594	(104,706)	(100,000)	235,480
Revaluation reserve	10,690	-	-	-	10,690
General funds	743,865	1,283,374	(1,531,546)	118,000	613,693
Total unrestricted funds	1,166,147	1,311,968	(1,636,252)	18,000	859,863
Total funds	2,658,408	1,463,872	(1,883,086)	-	2,239,194

Purpose of transfer of funds in the prior year

The WRG restricted fund transfer to unrestricted fund in 2022/23 was due to the costs incurred related to WRG activities. As these costs were initially paid by the general fund, the transfer has been made from WRG restricted to unrestricted general fund in order to recover the initial costs incurred from general funds.

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

Funds held by regions and branches show the amount held by branches in the form of cash. The transfer in the current year's accounts reflects the net outflow of cash held by branches in the year.

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

	Land and buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Less than one year	11,578	19,386	-	4,112
One to five years	14,473	27,981	-	-
	26,051	47,367	-	4,112

27 Operating lease commitments receivable as a lessor

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

	Property	
	2023	2022
	£	£
Less than one year	27,120	27,120
	27,120	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.

29 Prior period adjustments

For many years up to the 2018 accounts, at the request of restricted fund budget holders who did not wish any capital risk, all investment earnings were attributed to unrestricted funds and income at bank deposit rates were attributed to restricted funds. For 2019 to 2022, deposit interest rates were so low that no interest was applied to restricted funds. The Trustees have now been advised that, given the extent to which the Association's investment portfolio represents unspent restricted funds, the restricted funds should bear and should previously have borne an appropriate proportion of the investment gains and losses, dividend income and investment management fees. This adjustment corrects for this.

Group and charity Reserves position	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	31 December 2022	31 December 2022		01 January 2022	01 January 2022	
	£	£	£	£	£	£
Funds previously reported	877,243	1,361,951	2,239,194	1,343,504	1,314,904	2,658,408
Adjustments on restatement						
The reclassification of net historic recognition of gains, income and expenditure related to restricted funds held within investments	(177,357)	177,357	-	(177,357)	177,357	-
Reclassification of expenditure to restricted expenditure incurred by restricted funds held within investments	6,505	(6,505)	-	-	-	-
Reclassification of income to restricted income incurred by restricted funds held within investments	(25,632)	25,632	-	-	-	-
Reclassification of losses to restricted losses incurred by restricted funds held within investments	175,818	(175,818)	-	-	-	-
Adjustment to reclassify the depreciation of relevant trip boat fixed assets against the corresponding Essex Waterways Ltd Trip Boat Grant and Essex Waterways Ltd City Boat Grant restricted funds	3,286	(3,286)	-	-	-	-
Funds restated	859,863	1,379,331	2,239,194	1,166,147	1,492,261	2,658,408
	Unrestricted	Restricted	Total			
	31 December 2022	31 December 2022				
	£	£	£			
Impact on income and expenditure						
Net income / (expenditure) as previously	(466,261)	47,047	(419,214)			
Adjustments on restatement						
Reclassification of expenditure to restricted expenditure incurred by restricted funds held within investments	6,505	(6,505)	-			
Reclassification of income to restricted income incurred by restricted funds held within investments	(25,632)	25,632	-			
Reclassification of losses to restricted losses incurred by restricted funds held within investments	175,818	(175,818)	-			
Adjustment to reclassify the depreciation of relevant trip boat fixed assets against the corresponding Essex Waterways Ltd Trip Boat Grant and Essex Waterways Ltd City Boat Grant restricted funds	3,286	(3,286)	-			
Net income / (expenditure) as restated	(306,284)	(112,930)	(419,214)			