

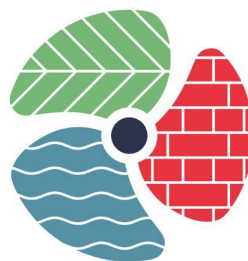
Company number: 00612245

Charity number: 212342

The Inland Waterways Association

Report and financial statements

For the year ended 31 December 2025



**INLAND
WATERWAYS**
ASSOCIATION

The Inland Waterways Association

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For the year ended 31 December 2025

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The Inland Waterways Association

Reference and administrative information

For the year ended 31 December 2025

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
Hardy House
Northfield Road
Berkhamsted
HP4 1EF

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

Rt Hon Sir Robert Atkins
Richard Barnes (until September 2025)
David Chapman
Stuart Craig (until July 2025)
Christl Hughes (until September 2025)
Peter Marlow
Susan O'Hare (until December 2025)
Colin Porter
Hannah Rigley
Paul Strudwick
Ian Sesnan
Michael Wills

Company Secretary Neil Edwards

Key management personnel Charlie Norman Campaigns & Public Affairs Director
Tracy Higgin Administration Manager

The Inland Waterways Association

Reference and administrative information

For the year ended 31 December 2025

Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Financial Advisers	KLB Financial Management Ltd Suite 116, Kingsway House Caldwell Road Widnes WA8 7GD
Investment Advisers	Quilter Cheviot Senator House 85 Queen Victoria Street London EC4V 4AB
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane London EC1Y 0TG

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2025

The trustees present their report and the audited financial statements for the year ended 31 December 2025.

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 leaflets, 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, and non-profit-making organisations interested in restoration,

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 80 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 former subsidiary company, Essex Waterways Ltd (EWL), became a navigation authority itself when it took over management of the Chelmer & Blackwater Navigation. The waterway is run on a not-for-profit basis, and it is a thriving asset for the benefit of the local community. As reported in last year's Annual Report, at the end of March 2025 ownership of Essex Waterways Ltd was transferred to a new charity, Essex Waterways Navigation Trust. The charitable activities of EWL were then transferred to the Navigation Trust. This change has simplified IWA's accounting and streamlined fundraising. Any funding received from EWL has always been designated and spent by IWA on supporting EWL activities and it has never therefore provided an income stream for IWA itself. The disposal of EWL has however had an impact on IWA's balance sheet as at 31st December 2025 and has been disclosed in Note 17 of the annual accounts.

IWA actively encourages waterways restoration, providing advice, guidance and hands-on, practical support to local restoration groups. We champion waterways restoration and provides supporters with access to the collective knowledge and skills of IWA's active volunteer base and employees, 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, and 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 Berkhamsted 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 25% 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. They were reviewed and simplified by the Board in April 2025 and are now:

- To campaign for the protection and regeneration of inland waterways for everyone to enjoy.
- To support the transformation of previously navigable waterways into places for leisure, living and business.
- To establish waterways as an environmental asset and foreground this in our campaigning as part of the response to localised climate change.

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

Membership

Members are the lifeblood of IWA. Membership continues to provide a very significant part of our unrestricted income. But like many other membership organisations, the number of members is declining year-on-year. In 2000 the IWA had approximately 18,000 members. By the end of 2025 this had fallen to around 8,000.

Our campaigning over 2025 has helped to turn the tide due to some high-profile attention in the media. We have now engaged a marketing company with charity experience to run a membership campaign aiming at the "missing" 12,000. These are people on our email bulletin list that are not yet members. As well as the 12,000, we are also looking at trying to reach new, younger audiences – also interested in waterways but beyond boats – for example paddleboarding, walking, kayaking and wild swimming – using social media.

Restoration Activities

2025 was another busy year for waterway restoration with progress being made by IWA corporate member restoration groups across the UK. Public funds, such as the Towns Fund and other Levelling Up Funds supported restoration work, but there remains a shortage of the serious public funding needed to achieve the potential of most restoration schemes. Derelict waterways are nearly always public assets and need public funding to accelerate the realisation of benefits for boaters, communities, local businesses and wildlife. Cost inflation particularly affected restoration groups in the year. It is hoped that with devolution of funding to Mayoral authorities more emphasis will be given to the huge benefits to regional and local economies of restoration projects. There is some sign of this already. We welcomed increased demand for support from restoration groups and recognised that we still need to do more to support restoration. The scale of activity and the needs expressed by restoration groups, and others, are well beyond our current capacity. As 2025 closed trustees were reviewing proposals to increase our effectiveness. Legacy funding will be key to this. In addition IWA called together representatives from across the restoration sector to seek to address ways to enhance its operations within the sector. Significant changes in our restoration structure are planned to be introduced during 2026.

Our Waterway Recovery Group (WRG) continued to undertake work on behalf of restoration groups around the country, with Canal Camps at Cocklemoor Meadow (River Parrett, Somerset), Rooks Hill Bridge (Wey & Arun Canal, Surrey), Gallows Wharf (Lichfield & Hatherton Canals, West Midlands), Ticklepenny Lock (Louth Navigation, Lincolnshire), Weymoor Bridge (Cotswolds Canals), Resolven Locks (Neath Canal, South Wales), Clydach Lock (Swansea). This was in addition to other events such as:

- WRG's annual Training Weekend, where volunteers were trained in many skills from excavator operation to bricklaying.
- The BCN Clean Up, where all sorts of detritus were cleared from Tipton up to Brades Locks.

- The usually annual Reunion event, where navvies came together to share good work, stories and laughter, was held for the first time in 5 years at Grove Locks on the Wilts & Berks Canal in Oxfordshire.
- WRG's regional groups continuing to support restorations with weekend working parties.

However, while the quality of WRG's work was as good as ever, the quantity was insufficient to keep WRG fully occupied. Restoration groups are struggling with external authorities to get all the permissions, agreements, and funding in place to allow "boots on the ground". This increases the pressure for increased IWA support as the Association's expert guidance and advice to the whole restoration sector can help break these barriers down.

During the year our newly established Legacy Working Group was able to release significant legacy funding, initially to the Lancaster Canal Regeneration Partnership CIC and the Cotswold Canals Trust. Legacies represent one of the most prominent ways in which supporters can support restoration, either dedicated to a particular waterway or generally to support restoration efforts e.g. through IWA's Waterway Recovery Group.

The 2025 Restoration Conference was held jointly at Canal & River Trust's National Waterways Museum at Ellesmere Port. As usual, this was a popular and busy event highlighting, for example, water transfer and how to involve Duke of Edinburgh Award candidates.

During the year, CRT consulted on their proposed Restoration Delivery Plan. Discussions were held with many of our corporate member restoration groups, and we had to express concern that CRT seemed to be backing away from support for restoration. Indeed, CRT proposals for a new charging regime for voluntary restoration groups came in for considerable criticism. We need CRT, and indeed all Navigation Authorities, to be funded properly and for them to be proactive in creating sustainable waterways. It is too easy to forget that we only have much of the current network because of the efforts of IWA, other campaigning organisations, restoration groups and public and lottery funds.

Our new Environment and Sustainability Working Group will add to the support and understanding we can give as to how restorations can appropriately add to nature recovery and mitigate any adverse effects on biodiversity. During the year we welcomed further potential development of the essential new links to make the network more coherent for users. such as the Bedford to Milton Keynes Waterways Park and the Boston to Peterborough Wetland Corridor. We must not give in to temporary funding difficulties. IWA's trustees know that if IWA does not robustly stand up for creating a viable waterways network across the UK, then no one else will.

Campaigning and Navigation Activities

Nationally, waterways continue to encounter unprecedented challenges from climate impacts to the consequences of decades of underfunding. But it also marked a much more positive year for the Association. After the Bridgewater Canal breach on New Year's Day 2025, we said there were hundreds of similar embankments facing a similar degree of risk, meaning the need to invest in navigations would only grow in intensity and urgency.

As the year unfolded it became clear that manifold risks faced the network, and IWA was uniquely placed to map them all. This resulted in our major campaign called The Waterways Risk Index: an evidence-based, science-led map using Met Office climate projection data showing which waterways face the greatest threats by 2050 and why. It was launched to significant national press coverage in November, including national TV exposure for the Association. In December, another catastrophic breach occurred on the Llangollen Canal, and our Risk Index received further national publicity. This demonstrated its application as a data-driven campaign tool, assessing and highlighting priority areas for intervention. Aside from this national campaign, a 2025 highlight was helping to secure a financial settlement from the Welsh Government for the Monmouthshire and Brecon Canal. This was because of intense, co-ordinated campaigning: IWA can proudly claim credit for the part we played. It is evidence of what sustained, focused, and local campaigning can achieve.

Our political engagement has continued with the All-Party- Parliamentary-Group (APPG) for the Waterways, chaired by Labour MP, Mr Bill Esterson. With an improved profile through better processes to align with higher-profile APPGs our reputation has grown, and we were invited to various fringe events at the Labour Party Conference, with our most recent meeting covered by Dods (The Parliamentary handbook). 2026 has started strongly with us suggesting written questions to Defra via an APPG member and MP for the area affected by the January Shropshire breach. The APPG AGM took place in February 2026 at which the ambitious plan for the year were approved by members.

We have taken a close look at our brand, social media presence and 'Bulletin' newsletter so that they work for us, as well as a re-fresh of 'Waterways', our membership magazine. We looked at the data and knew improvements were needed. That work is paying off with increased supporter engagement and open-rates as we work towards a much-needed membership campaign in 2026. We have appointed two excellent part-time members of staff to both backfill a post and significantly improve this area of our communications with themes of mobilisation, informing, sustaining community, recruiting members and raising revenue (targeted asks: donations, shop, corporate membership).

In 2026, IWA marks 80 years of campaigning. We have formed a small working group to shape the core message with branches, reflecting a celebration of IWA's past achievements and a representation of waterways today. Our campaign strap line is 'Looking Back with Pride and Forward with Purpose'. This year is our opportunity to celebrate IWA's past achievements, inspiring new members to join us in keeping the network alive, navigable, and thriving.

On Navigation matters, as referred to above, the year ended as it began, with a major canal breach impacting people and businesses. The network became severely fragmented by other infrastructure failures combined with the effects of hot dry weather followed by periods of intense rainfall. Perhaps the only positive effect has been a rapid increase in public awareness of the waterways, helped by mainstream media coverage of the dramatic Llangollen Canal breach in December 2025 with its obvious human impact.

This is potentially a pivotal moment for the waterways, with some signs of a changing government attitude, changes in personnel at Defra, the Canal & River Trust (CRT) and the Broads Authority, and new navigation roles at the Environment Agency (EA). It is encouraging to see CRT and EA starting to share expertise and work collaboratively, and both taking action to improve the boater experience.

This year the reporting line of the Inland Waterways Freight Group and the Sustainable Boating Group moved to the new IWA Sustainability and Environment Group, retaining 'dotted line' responsibility to Navigation Committee to ensure close working. This will enable Navigation Committee to focus on its core roles of monitoring and lobbying about the extensive navigation issues on the waterways, liaising with navigation authorities and stakeholders, and responding to consultations.

The major consultation this year was the CRT Commission on the Future of Boat Licensing, which will generate further consultations before changes are implemented. On a related matter, Navigation Committee has been working to facilitate the agreement of a common approach to residential boating by bringing major organisations together.

The canal breaches in 2025 were just part of the severe negative impact on navigation authority finances, yet once again the Autumn Budget failed to mention public investment in waterways. IWA supported Fund Britain's Waterways (FBW) call for a comprehensive national review of waterway funding. FBW membership climbed to 163 organisations and the support of the new Lady Mayor of the City of London was secured. A major campaign cruise from Doncaster to London culminated in a flotilla of 26 boats standing off the Palace of Westminster, before a record-breaking mass crossing of the Wash. Other campaign cruises took place on the Walsall Canal and to two closed locks in East Anglia. Coverage was secured from BBC regional television news, BBC and independent radio and national and local press. Another positive development was the first new public waterway funding, £500,000 for the River Cam from the Cambridgeshire & Peterborough Combined Authority.

IWA has decided to continue its support but reduce its involvement in FBW in order to develop and focus on its own campaigns.

Environment

One of IWA's strategic objectives is "to establish waterways as an environmental asset and foreground this in our campaigning as part of the response to localised climate change". A new IWA Sustainability and Environment Group was formed to take this forward in September. The detailed remit is to:

- Provide expertise and advice to the Board of Trustees on sustainability and environmental issues to assist in the formulation of IWA strategy.
- Support the Association's sustainability and environmental objectives, campaigns and activities.
- Create a roadmap to deliver these objectives with clearly defined SMART goals.
- Support and advise the Campaigns & Public Affairs Director and the Waterway Recovery Group.
- On behalf of the trustees:
 - Monitor and respond to sustainability and environmental matters affecting GB's waterways, reporting to trustees via the Deputy Chair Membership & Environment through formal reports, presentations, or verbal updates.
 - Liaise with other organisations and groups campaigning for sustainability and environmental improvements on GB's waterways such as WyeNAC.
 - Provide advice to members, other IWA committees, boat clubs, waterway societies, navigation authorities, government bodies and others on sustainability and environmental matters.

- Collate, maintain, and publish, when appropriate, IWA policies and technical information relating to sustainability and environmental issues for GB's waterways.
- In consultation with other IWA committees, publish relevant materials – including blogs, briefings, articles, and leaflets – and promote the Association within and beyond the waterways movement.
- Seek to ensure users of GB's waterways adhere to environmental best practices in the use, management, and restoration of the waterways.
- Support the protection and conservation of the cultural and environmental heritage of individual waterways while recognising evolving change.
- Address the threat from climate change to the GB waterway network through prevention and adaptation measures.
- Bring together and coordinate expertise on environmental issues related to waterways.
- Set up working groups to tackle specific sustainability and environmental topics such as the Sustainable Boating Group.

We review reports from the Sustainable Boating Group, the HVO Group, the Freight Group and IWA's nominee to the Wye Navigation Advisory Committee. We have appointed Graham Heald as IWA's new National Lead for Water Resources. He provides most welcome expertise on water matters. He has coordinated responses for IWA to consultations on the Abingdon Reservoir and reserving water abstraction rights. He is part of a group involved in discussions about the Grand Union Canal Transfer scheme.

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.

In 2024, we introduced a new set of sustainable boating awards in partnership with Towpath Talk with awards again made at our 2025 AGM in Nottingham to:

Non-Commercial Award	Fountainbridge Canalside Community Trust
Commercial Award	Lynch Motors

Our national volunteer awards recognise outstanding achievements, and at the same event, awards were made to:

Richard Bird Medals:	Nigel Hardacre, Nick Parker, Andrew Phasey, Jeanne & Derek Smith, Verna Smith
Christopher Power Prize:	Helen Watson-Moriarty
Branch Achievement Award:	IWA Leicestershire Branch
Cyril Styring Award:	Helen Whitehouse

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 former subsidiary company, Essex Waterways Ltd

Financial review

Finances for the year were satisfactory, but this was largely due to some significant legacies received. The main sources of income were subscriptions, legacies and donations. As is the case with many other charities at present, maintaining subscription income remains challenging. There was no increase in the subscription rates during 2025, but there will be an inflationary increase in 2026. There was a small reduction in membership numbers and income during the year. We had planned to have a membership recruitment campaign during the year but this is now taking place in 2026. However, we did continue to receive donations, as well as benefiting from a number of significant bequests for which we are extremely grateful.

The Charity continues to monitor its administration and other costs carefully. Legacies received which contain restrictions as to the use of the legacy, often to do with supporting restoration activity, were monitored closely to ensure compliance with the restrictions

Canalway Cavalcade proved financially successful as well as bringing a vibrant boating spectacle to central London. This year the event was run under the auspices of the IWA's wholly owned trading subsidiary, IWE Ltd. The sale of Christmas cards and calendars brought in a useful profit to help both finances and broadcasting IWA's message.

The overall income during the year was £1,488,666 of which £531,433 was income from restricted legacies, £779,552 was due to other unrestricted income, including a significant unrestricted legacy of approximately £150,000 received at the very end of the year, and £177,681 was from the discontinued operations of Essex Waterways.

Expenditure totalled £1,214,796, of which £299,943 was expenditure on activities funded by restricted bequests and £184,943 was spent on the discontinued operations of Essex Waterways. Expenditure on un-restricted charitable activity was £729,910 which includes £371,367 on our campaigns to protect and restore the waterways.

Essex Waterways Ltd (EWL) which had been owned by the IWA since its formation in November 2005, was transferred to a newly formed independent charity, Essex Waterways Navigation Trust at the end of March 2025. This also involved the transfer to the new trust of the designated fund (£103,515) which had been created from the surplus generated by EWL in previous years and which had been gift-aided to the IWA as well as a legacy (£40,761) which had been received which was restricted to EWL activities.

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2025

Principal funding sources

The Association's principal funding sources for 2025 were:

	Unrestricted £	Restricted £
Subscriptions from members	319,182	-
Donations	30,983	56,497
Legacies	255,188	415,199
Investments	33,488	59,315

Other income is shown in notes 3 and 4 of the financial statements.

Legacies

The Inland Waterways Association is very grateful for bequests during the year totalling £670,388. 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:

David Sydney Baird
John Bormond Barrett
Graham Christian Bird
James Richard Booth
John Anbrose Collett
Brian George Coward
Valeries Helene Cummings
Averil Gillian Dobson
Geoffrey James Eagles
Anthony John Ford
Peter Alexander Fryer
Joseph Francis Hare
Mrs B Maniez
Joan Muspratt
Clive Stafford Poge
David John Nigel Ricketts
Colin Masters Tyson-Heap

Total incoming resources for the group available during the year were £1,488,666 (2024: £1,818,463). This enabled expenditure of £1,214,796, (2024: £1,537,395). After taking account of the gain on investments of £53,198 (2024: gain of £15,789) the total funds carried forward at the year-end stood at £2,650,465 (2024: £2,664,188).

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. We received no complaints regarding our fund-raising practices during the year. We are in the process of distributing briefing guides to our staff and volunteers which reflect changes to the updated version of the Code issued in 2025.

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.

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 organisation that provided grant funds to enable and support the charity's campaigning:

Bletchley and Fenny Stratford Town Council

Investment performance

We have two investment 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.

At 31st December 2025 the value of listed investments was £1,628,529 and together with the cash held by our investment advisers and awaiting re-investment, amounted to £1,745,615 compared to £1,445,346 at 31st December 2024. During the year an additional sum of £350,000 was invested in the government securities fund. Total investment income amounted to £93,536 (2024: £85,339).

The investment working group comprises three members of finance committee. It monitors both portfolios during the year against appropriate benchmarks and meets with the investment manager at least once a year. During the year, we were satisfied with the performance of both portfolios. The larger portfolio slightly exceeded its benchmark and the smaller one is invested in a diversely based equity tracker fund.

Key policies

Investment policy

1. Introduction

The overall financial objective is in two distinct parts:

- for restricted and designated funds, short-term reserves, bonds of not less than class AAA or Gilts emphasising certainty of value,
- for general funds, longer-term, invested to support the reserves 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.

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. A working group, which includes key trustees with differing backgrounds and experience, keeps the Risk Register under review and reports at least annually to the board of trustees. The most significant risks are reviewed by the Trustees more frequently. The trustees have a clear picture of where IWA needs to be focusing its energy and resources.

In 2025, the Association's risk register was reviewed towards the end of the year. The finances remain more stable, but the Management Committee is still in place dealing with day-to-day management issues. The most significant risks identified and the mitigations to deal with them are:

Risk	Mitigation
Falling membership numbers	Recruitment campaign being carried out in 2026
IT Cyber security	Employment of trusted third party companies to manage IWA's IT infrastructure and staff training
Compliance with data protection regulations	Training of volunteers and staff in GDPR

We have been involved with an ongoing dispute around the lease of an investment property left to the Association. We don't believe there is a high probability of the resolution of this dispute having a material impact on the financial position of the Association. We are working to this end.

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
- Restricted funds
- Designated funds

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2025

Restricted funds are either:

- Set aside for specific projects or purposes in accordance with the instructions or intentions of the donors.
- Contractually committed – e.g. Allocated and formally notified to the intended recipient.

Designated funds are:

- Funds allocated by trustees for specific purposes.
- Funds held by branches and regions, including WRG regional groups.

Where expenditure fulfils the criteria of a restricted fund, it should be charged against that fund, rather than from the General Fund. The Association's income and expenditure may vary from year to year, because of:

- Changes in the value of its investments
- Variable income from sources such as legacies and donations.
- Fluctuations in membership income.
- Urgent major expenditure on waterway restoration or campaigning
- A need for legal advice or legal action.

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

Free funds are defined as the General Fund less the value of fixed assets (after depreciation).

If circumstances arise where the free funds are not sufficient to cover any liabilities, trustees can remove the designation of designated funds and transfer them to the General Fund.

Based on the risk assessments it has carried out, trustees have concluded that IWA's free funds should lie between £350,000 and £700,000. Of this amount, a minimum of £150,000 should be liquid and available for immediate use. The level of charity free reserves at 31 December 2025 was as follows:

Free Funds	£
General fund	822,369
Less unrestricted tangible fixed assets	(8,455)
Less unrestricted intangible assets	0
Adjusted Free Funds	813,914

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

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2025

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. Potential risk areas include increased inflation, cost-of-living pressures and falling membership numbers.

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 2026 and 2027 are deemed to be grounded and in some areas conservative. The budgets have been prepared with a balanced approach with a fairly stable income projection from membership and controlled expenses growth. 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 eight members. Trustees held seven formal Board meetings during 2025.

There are five principal committees of the Board of Trustees:

- Management Committee
- Finance Committee
- Navigation Committee
- Waterway Recovery Group
- Sustainability and Environmental Group

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 the Berkhamsted 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.

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2025

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 £950 including Insurance Premium Tax was paid during the year (2024: £950).

Remuneration policy for key management personnel

A Remuneration Committee, comprising the chair of Finance Committee, the national chair and one other member appointed annually by trustees, reviews the remuneration of 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 two subsidiary companies:

- Inland Waterways Enterprises Limited began trading in August 2017 to undertake certain commercial activities to support IWA.
- Waterway Recovery Group Ltd is dormant and is maintained to protect the name. Waterway Recovery Group is a trading name of the Association.

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

Until 31 March 2025, the Association had a third subsidiary company, Essex Waterways Limited, which began trading in November 2005, and which manages the Chelmer & Blackwater Navigation. As disclosed in last years Annual Report, EWL was transferred to a new charity, Essex Waterways Navigation Trust at the end of March 2025.

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2025

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. 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. The number of trustees at the end of the year (8) was lower than normal and the Trustees are taking steps to recruit additional trustees.

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 employees at the Berkhamsted office. New trustees are also provided with informal guidance from existing trustees.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Inland Waterways Association for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice.
- Make judgements and estimates that are reasonable and prudent.

The Inland Waterways Association

Trustees' Annual Report

For the year ended 31 December 2025

- 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 2025 was 7,897 (2024: 8,488). The trustees are members of the charity, but this entitles them only to the same voting rights as any other member. The trustees have no beneficial interest in the charity.

Auditor

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

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

The trustees' annual report was approved by the trustees on 3 June 2026 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 2025 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 2025 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.

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.

Independent auditor's report

To the members of

The Inland Waterways Association

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;
 - 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.

Independent auditor's report

To the members of

The Inland Waterways Association

Use of our report

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

Judith Miller (Senior statutory auditor)

10 June 2026

for and on behalf of Sayer Vincent LLP, Statutory Auditor

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.

Consolidated The Inland Waterways Association

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

For the year ended 31 December 2025

		For 3 months ended 31 March 2025			2025	Restated 2024	Restated 2024	Restated 2024	Restated 2024
		Discontinued Operations	Continuing Operations Unrestricted	Continuing Operations Restricted	Total	Discontinued Operations	Continuing Operations Unrestricted	Continuing Operations Restricted	Total
Note		£	£	£	£	£	£	£	£
Income from:									
Donations, legacies and membership subscriptions	2	-	605,353	471,696	1,077,050	0	635,322	45,475	680,797
Charitable activities	3	-	22,553	422	22,975	0	23,328	15,001	38,329
Other trading activities	4	176,908	118,198	-	295,106	901,915	112,083	0	1,013,998
Investments	5	773	33,448	59,315	93,536	3,359	37,235	44,745	85,339
Total Income		177,681	779,552	531,433	1,488,666	905,274	807,968	105,221	1,818,463
Expenditure on:									
Raising funds	6	165,781	265,968	-	431,749	710,213	300,752	6,154	1,017,119
Charitable activities									
Campaign and restoration costs	6	16,662	371,367	299,943	687,972	71,845	281,076	51,092	404,013
Membership support costs	6	-	88,083	-	88,083	-	109,284	-	109,284
Public meetings and other activities	6	2,500	4,491	-	6,991	-	6,979	-	6,979
Total expenditure		184,943	729,910	299,943	1,214,796	782,058	698,091	57,246	1,537,395
Net income / (expenditure) before net gains / (losses) on investments		(7,262)	49,642	231,490	273,870	123,216	109,877	47,975	281,068
Net gains on investments	16	-	50,881	2,317	53,198	-	13,989	1,800	15,789
Net income / (expenditure) for the year	8	(7,262)	100,523	233,807	327,068	123,216	123,866	49,775	296,857
Transfers between funds		(340,792)	340,792	-	-	-	(3,264)	3,264	-
Net income / (expenditure) before other recognised gains and losses		(348,054)	441,315	233,807	327,068	123,216	120,602	53,039	296,857
Loss on disposal of subsidiary		-	(340,792)	-	(340,792)	-	-	-	-
Net movement in funds		(348,054)	100,523	233,807	(13,724)	123,216	120,602	53,039	296,857
Reconciliation of funds:									
Total funds brought forward		348,054	905,324	1,410,810	2,664,188	224,838	784,722	1,357,771	2,367,331
Total funds carried forward		-	1,005,847	1,644,618	2,650,465	348,054	905,324	1,410,810	2,664,188

Discontinued Operations relates to Essex Waterways Ltd. The subsidiary transferred to Essex Waterways Navigation Trust from 1st April 2025. 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.

Consolidated The Inland Waterways Association

Balance sheet

Company no. 00612245

As at 31 December 2025

	Note	Group 2025 £	2024 £	Charity 2025 £	2024 £
Fixed assets:					
Intangible assets	13	-	-	-	-
Tangible assets	14	8,455	239,949	8,455	8,006
Investment properties	15	375,000	375,000	375,000	375,000
Investments	16	1,745,615	1,445,346	1,745,618	1,445,350
		2,129,070	2,060,295	2,129,073	1,828,356
Current assets:					
Stock	19	4,945	6,219	4,945	5,574
Debtors	20	215,326	142,928	215,326	121,427
Cash at bank and in hand		405,646	743,088	393,450	510,486
		625,917	892,235	613,721	637,487
Liabilities:					
Creditors: amounts falling due within one year	21	(104,523)	(271,748)	(102,488)	(149,710)
Net current assets		521,394	620,487	511,233	487,778
Total assets less current liabilities		2,650,465	2,680,782	2,640,306	2,316,134
Creditors: amounts falling due after one year	23	-	(16,594)	-	-
Total net assets		2,650,465	2,664,188	2,640,306	2,316,134
The funds of the charity:					
Restricted income funds	25	1,644,618	1,437,259	1,644,618	1,410,810
Unrestricted income funds:					
Designated funds		183,478	183,596	183,478	287,111
Revaluation reserve		-	10,690	-	-
General funds		822,369	1,032,643	812,210	618,213
Total unrestricted funds		1,005,847	1,226,929	995,688	905,324
Total charity funds		2,650,465	2,664,188	2,640,306	2,316,134

The surplus of the Charity for the year ended 31 December 2025 was £324,173 (2024: Surplus £277,158). At year ended December 2025 the group balance sheet reflects the position of the Inland Waterways Association and its wholly owned subsidiary Inland Waterways Enterprises Ltd. 2024: the Group balance sheet reflects the position of the Inland Waterways Association and owned Essex Waterways Limited). Subsidiary undertaking disclosed under note 17.

Approved by the trustees on 3 June 2026 and signed on their behalf by

Michael Wills
National Chair

Consolidated The Inland Waterways Association

Consolidated statement of cash flows

For the year ended 31 December 2025

	Note	2025 £	£	2024 £	£
Cash flows from operating activities					
Net (expenditure) / income for the reporting period (as per the statement of financial activities)		(13,724)		296,857	
Amortisation charges		-		7,981	
Depreciation charges		3,124		81,198	
(Gains) on investments		(53,198)		(15,789)	
Dividends, interest and rent from investments		(93,536)		(85,339)	
Loss on the disposal of fixed assets		1,867		8,111	
Loss on the disposal of subsidiary		340,792		-	
Decrease in stocks		1,274		7,810	
(Increase) / decrease in debtors		(72,398)		36,497	
(Decrease) in creditors		(183,819)		(43,764)	
Net cash provided by / (used in) operating activities			(69,618)		293,561
Cash flows from investing activities:					
Bank interest received		6,880		10,214	
Investment income received		86,656		75,125	
Purchase of fixed asset investments		(825,569)		(1,361,310)	
Purchase of tangible fixed assets		(5,440)		(77,152)	
Proceeds from sale of fixed asset investments		598,206		127,955	
Net proceeds from disposal of subsidiary		(108,848)		-	
Net cash used in investing activities			(248,115)		(1,225,168)
Cash flows from financing activities:					
Loan repayment including interest		-		-	
Net cash used in financing activities			-		-
Change in cash and cash equivalents in the year			(317,733)		(931,607)
Cash and cash equivalents at the beginning of the year			840,465		1,772,072
Cash and cash equivalents at the end of the year			522,732		840,465
Analysis of cash and cash equivalents and of net debt					
	At 1 January 2025	Cash flows	Other non-cash changes	At 31 December 2025	
	£	£	£	£	
Cash at bank and in hand	743,088	(337,442)	-	405,646	
Investment cash	97,377	19,709	-	117,086	
Total cash and cash equivalents	840,465	(317,733)	-	522,732	

Notes to the financial statements

For the year ended 31 December 2025

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 Hardy House, Northbridge Road, Berkhamsted, England, HP4 1EF.

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.

The Group has taken advantage of the exemptions allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these 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 2025 and/or 2026. 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.

Notes to the financial statements

For the year ended 31 December 2025

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.

Notes to the financial statements

For the year ended 31 December 2025

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 | 37.5% |
| • Campaign and restoration costs | 55.0% |
| • Membership support costs | 7.2% |
| • Public meetings and other activities | 0.4% |

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 |

Notes to the financial statements

For the year ended 31 December 2025

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.

Notes to the financial statements

For the year ended 31 December 2025

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

	Discontinued Operations	Unrestricted £	Restricted £	2025			2024	
				Total £	Unrestricted £	Restricted £	Total £	Total £
Donations	-	30,983	56,497	87,480	21,678	45,475	-	67,153
Legacies	-	255,188	415,199	670,388	240,145	-	-	240,145
Membership subscriptions	-	319,182	-	319,182	373,499	-	-	373,499
	-	<u>605,353</u>	<u>471,696</u>	<u>1,077,050</u>	<u>635,322</u>	<u>45,475</u>	-	<u>680,797</u>

IWA has been notified of legacies with an estimated value of £513,560 (2024: £471,929) which have not been included in income for the year ended 31 December 2025, because either probate has not been received or IWA is not satisfied that the amount receivable can be reliably measured.

3 Income from charitable activities

	Discontinued Operations	Unrestricted £	Restricted £	2025			2024	
				Total £	Unrestricted £	Restricted £	Total £	Total £
Publications income	-	2,140	-	2,140	3,375	-	-	3,375
Public meetings and other activities	-	6,292	-	6,292	7,740	-	-	7,740
Grant income	-	-	422	422	-	15,001	-	15,001
Fundraising	-	14,121	-	14,121	12,214	-	-	12,214
Total income from charitable activities	-	<u>22,553</u>	<u>422</u>	<u>22,975</u>	<u>23,328</u>	<u>15,001</u>	-	<u>38,329</u>

Notes to the financial statements

For the year ended 31 December 2025

4 Income from other trading activities

	Discontinued Operations	Unrestricted £	Restricted £	2025			2024	
				Total £	Unrestricted £	Restricted £	Total £	
Navigation management income	176,908	-	-	176,908	901,914	-	-	901,914
Charitable trading	-	49,963	-	49,963	6,842	-	-	6,842
Other events and activities	-	68,235	-	68,235	105,242	-	-	105,242
	<u>176,908</u>	<u>118,198</u>	<u>-</u>	<u>295,106</u>	<u>1,013,998</u>	<u>-</u>	<u>-</u>	<u>1,013,998</u>

Navigation income decreased significantly because it related with the discontinued operations and only three months are included during 2025.

5 Income from investments

	Discontinued Operations	Unrestricted £	Restricted £	2025			2024	
				Total £	Unrestricted £	Restricted £	Total £	
Rental income	-	30,724	-	30,724	28,688	-	-	28,688
Bank interest	773	6,107	-	6,880	10,214	-	-	10,214
Income (loss) from quoted investments	-	(3,383)	59,315	55,932	1,691	44,745	-	46,437
	<u>773</u>	<u>33,448</u>	<u>59,315</u>	<u>93,536</u>	<u>40,594</u>	<u>44,745</u>	<u>-</u>	<u>85,339</u>

Consolidated The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2025

6a Analysis of expenditure (current year)

	Charitable activities							2025 Total £	2024 Total £
	Raising funds £	Discontinued Operatons	Campaign and restoration costs £	Membership support costs £	Public meetings and other activities £	Governance costs £	Support costs £		
Staff costs (Note 9)	74,103	98,137	89,983	74,103	-	26,465	-	362,791	694,669
Building and infrastructure costs	110,160	5,610	-	-	-	-	1,224	116,995	187,376
Meeting, travel and officers' expenses	-	-	9,546	-	-	25	1,139	10,710	10,918
Donations and grants	-	-	405,246	-	-	-	-	405,246	22,205
Work Party costs	-	-	9,441	-	-	-	-	9,441	8,681
WRG restoration costs	-	-	70,730	-	-	-	-	70,730	69,022
Campaign costs	-	-	12,025	-	-	-	-	12,025	28,534
Other direct costs	1,160	-	24,026	-	-	-	-	25,186	20,406
Restoration Hub	-	-	-	-	-	-	-	-	19,652
Membership and recruitment	-	-	26,221	10,936	-	-	-	37,157	45,001
Public meetings and other activities	-	-	-	-	4,336	-	-	4,336	6,399
Depreciation and amortisation	-	8,959	899	-	-	-	4,092	13,950	69,389
Investment management costs	4,274	-	-	-	-	-	-	4,274	5,485
Bank charges	3,648	64	-	-	-	-	-	3,712	5,301
Navigation management costs	-	69,674	-	-	-	-	-	69,674	257,628
Charitable trading	513	-	-	-	-	-	-	513	1,991
Other events and activities	62,918	-	-	-	-	-	-	62,918	30,197
Audit & accountancy fees	-	2,500	-	-	-	18,559	-	21,059	43,231
Legal and professional services	-	-	-	-	-	-	(17,413)	(17,413)	9,815
AGM and other meeting costs	-	-	-	-	-	1,490	-	1,490	1,495
	256,778	184,943	648,116	85,040	4,336	46,540	(10,957)	1,214,796	1,537,395
Support costs	(2,830)	-	(7,142)	(937)	(48)	-	10,957	-	-
Governance costs	12,019	-	30,337	3,981	203	(46,540)	-	-	-
Total expenditure 2025	265,968	184,943	671,310	88,083	4,491	-	-	1,214,796	
Total expenditure 2024	1,017,119	-	404,013	109,284	6,979	-	-		1,537,395

Consolidated The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2025

6b Analysis of expenditure (prior year)

	Charitable activities						2024 Total £
	Raising funds £	Campaign and restoration costs £	Membership support costs £	Public meetings and other activities £	Governance costs £	Support costs £	
Staff costs (Note 9)	489,220	95,906	80,342	-	29,201	-	694,669
Building and infrastructure costs	157,163	-	-	-	-	30,213	187,376
Meeting, travel and officers' expenses	-	9,793	-	-	220	905	10,918
Donations and grants	-	22,205	-	-	-	-	22,205
Work Party costs	-	8,681	-	-	-	-	8,681
WRG restoration costs	-	69,022	-	-	-	-	69,022
Campaign costs	-	28,534	-	-	-	-	28,534
Other direct costs	1,000	19,406	-	-	-	-	20,406
Restoration Hub	-	19,652	-	-	-	-	19,652
Membership and recruitment	-	25,147	19,854	-	-	-	45,001
Public meetings and other activities	-	-	-	6,399	-	-	6,399
Depreciation and amortisation	22,117	35,818	-	-	-	11,454	69,389
Investment management costs	5,485	-	-	-	-	-	5,485
Bank charges	5,301	-	-	-	-	-	5,301
Navigation management costs	220,056	36,250	-	-	1,322	-	257,628
Charitable trading	1,991	-	-	-	-	-	1,991
Other events and activities	30,197	-	-	-	-	-	30,197
Audit & accountancy fees	-	-	-	-	43,231	-	43,231
Legal and professional services	-	-	-	-	-	9,815	9,815
AGM and other meeting costs	-	-	-	-	1,495	-	1,495
	932,530	370,414	100,196	6,399	75,469	52,387	1,537,395
Support costs	34,658	13,767	3,724	238	-	(52,387)	-
Governance costs	49,931	19,832	5,364	342	(75,469)	-	-
Total expenditure 2024	1,017,119	404,013	109,284	6,979	-	-	1,537,395

Notes to the financial statements

For the year ended 31 December 2025

7a Grant making (current year)

	Grants to institutions	2025 £
Cost	£	£
Other grants and donations	156,562	156,562
At the end of the year	156,562	156,562

During the year the charity did not award any grants but made several donation. The largest being to Essex Waterways Navigation Trust (£145,024) plus a number of small donations to other trusts including Canal River Trust (£3,000), Litchfield & Hatherton Cancals Restoration Trust (£2,545), Leicestershire Search & Rescue (£900).

7b Grant making (prior year)

	Grants to institutions	2024 £
Cost	£	£
Other grants and donations	22,205	22,205
At the end of the year	22,205	22,205

8 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2025 £	2024 £
Depreciation and amortisation	12,083	89,179
Loss or profit on disposal of fixed assets	1,867	-
Operating lease rentals: payable	30,931	30,713
Operating lease rentals: receivables	(30,724)	(33,545)
Auditor's remuneration (excluding VAT):		
Audit	17,300	24,300
Other services	3,798	-

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

Staff costs were as follows:

	2025 £	2024 £
Salaries, wages and related costs	328,171	608,641
Social security costs	15,120	44,235
Employer's contribution to defined contribution pension schemes	19,500	41,793
	362,791	694,669

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

	2025 No.	2024 No.
£60,000 – £69,999	-	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £93,421 (2024: £176,856)

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil). The premium for trustee indemnity insurance for members of the Board of Trustees was £950 (2024: £950).

During the year 8 (2024: 7) members were reimbursed travel and incidental expenses incurred in respect of their services to the Group totalling £2,252 (2024: £1,896). Included in creditors at the year end is £nil (2024: £nil) owed to Trustees for their expenses.

10 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 8 (2024: 34). The total number of employees for 2024 include a significant number of part time and seasonal staff including EWL.

Notes to the financial statements

For the year ended 31 December 2025

11 Related party transactions

During the year the company had no related party transactions, 2025 was £nil (2024: £22,905). All transactions were undertaken on a commercial arm's length basis.

On 31 March 2025 ownership of Essex Waterways Ltd was transferred to a new charity, Essex Waterways Navigation Trust. The charitable activities of EWL were then transferred to the Navigation Trust.

Aggregate donations from related parties were £nil (2024: £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	42,557	42,557
Additions in year	-	-
Transfers (in/(out))	-	-
Disposals in year	-	-
At the end of the year	<u>42,557</u>	<u>42,557</u>
Amortisation		
At the start of the year	42,557	42,557
Transfers (in/(out))	-	-
Charge for the year	-	-
Eliminated on disposal	-	-
At the end of the year	<u>42,557</u>	<u>42,557</u>
Net book value At the end of the year	<u>-</u>	<u>-</u>
At the start of the year	<u>-</u>	<u>-</u>

All of the Charity's fixed assets are held for charitable purposes. During the year the charity completed a review of its fixed asset register. As a result a small number of transfers between asset class was completed.

Notes to the financial statements

For the year ended 31 December 2025

14 Tangible fixed assets

	Buildings and leasehold improvements	Computer equipment	Plant and equipment	Motor vehicles	Total
Group Cost	£	£	£	£	£
At the start of the year	44,408	5,600	632,020	202,525	884,553
Additions in year	-	5,440	-	-	5,440
Transfers (in/(out))	-	-	-	-	-
Disposals in year	(38,186)	(5,600)	(549,936)	(23,843)	(617,564)
At the end of the year	6,222	5,440	82,085	178,682	272,429
Depreciation					
At the start of the year	31,584	3,733	417,478	191,809	644,604
Transfers (in/(out))	-	-	-	-	-
Charge for the year	2,074	151	899	-	3,124
Eliminated on disposal	(28,127)	(3,733)	(338,767)	(13,127)	(383,754)
At the end of the year	5,531	151	79,610	178,682	263,974
Net book value					
At the end of the year	691	5,289	2,475	-	8,455
At the start of the year	12,824	1,867	214,542	10,716	239,949

	Buildings and leasehold improvements	Computer equipment	Plant and equipment	Motor vehicles	Total
Charity Cost	£	£	£	£	£
At the start of the year	6,222	5,600	82,085	178,682	272,589
Additions in year	-	5,440	-	-	5,440
Transfers (in/(out))	-	-	-	-	-
Disposals in year	-	(5,600)	-	-	(5,600)
At the end of the year	6,222	5,440	82,085	178,682	272,429
Depreciation					
At the start of the year	3,457	3,733	78,711	178,682	264,583
Transfers (in/(out))	-	-	-	-	-
Charge for the year	2,074	151	899	-	3,124
Eliminated on disposal	-	(3,733)	-	-	(3,733)
At the end of the year	5,531	151	79,610	178,682	263,974
Net book value					
At the end of the year	691	5,289	2,475	-	8,455
At the start of the year	2,765	1,867	3,374	-	8,006

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

15 Investment properties

	2025	2024
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	375,000	375,000

The most recent professional valuation was carried out in December 2023 by Berrys, property advisors, whom reported a value of £375,000. The Board of Trustees have assessed the fair value of the property as at 31 December 2025. 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 2025, achieving a rental in line with that assumed in the valuation.

Consolidated The Inland Waterways Association

Notes to the financial statements

For the year ended 31 December 2025

16 Investments

	2025 £	2024 £
Fair value at the start of the year	1,347,968	98,824
Additions at cost	825,569	1,361,310
Disposal proceeds	(598,206)	(127,955)
Net gain / (loss) on change in fair value	53,198	15,789
	1,628,529	1,347,968
Cash held by investment advisors pending reinvestment	117,086	97,377
Fair value at the end of the year	1,745,615	1,445,346

Investments comprise:

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Listed investments	1,628,529	1,347,969	1,628,529	1,347,969
Cash deposits	117,086	97,377	117,086	97,377
Shares in subsidiary companies	-	-	3	4
	1,745,615	1,445,346	1,745,618	1,445,350

Name

Wholly owned subsidiaries of the charity:

Essex Waterways Limited
Inland Waterways Enterprises Ltd
Waterway Recovery Group Ltd

Essex Waterways Limited was disposed on 31/03/2025.

Business activity

Manages the Chelmer & Blackwater Navigation
Trading
Dormant

Notes to the financial statements

For the year ended 31 December 2025

17 Subsidiary undertaking

The Charity owns the whole of the issued ordinary share capital of Inland Waterways Enterprises Limited and up until 31 March 2025 also wholly owned Essex Waterways Limited, company number 10382346 and 05545459 respectfully. Both entities are 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.

	IWE Ltd		EWL Ltd	
	2025 £	2024 £	3months to 31 March 2025 £	2024 £
Turnover	42,260	-	176,908	901,915
Cost of sales	(32,086)	-	(56,594)	(31,256)
Gross profit/(loss)	10,174	-	120,314	870,659
Operating costs	-	-	(116,826)	(723,792)
Administrative expenses	(13)	-	(11,523)	(27,010)
Management charge payable to parent undertaking	-	-	-	-
Profit/(loss) on ordinary activities before interest and taxation	10,161	-	(8,035)	119,857
Interest receivable and similar income	-	-	773	3,359
Interest payable	-	-	-	-
Interest payable to parent undertaking	-	-	-	-
Profit / (loss) on ordinary activities before taxation	10,161	-	(7,262)	123,216
Taxation on profit on ordinary activities	-	-	-	-
Profit / (loss) for the financial year	10,161	-	(7,262)	123,216
Retained earnings				
Total retained earnings brought forward	1	1	337,363	317,662
Profit / (loss) for the financial year	10,161	-	(7,262)	123,216
Distribution under Gift Aid to parent charity	-	-	-	(103,515)
Total retained earnings carried forward	10,162	1	330,101	337,363
The aggregate of the assets, liabilities and reserves was:				
Assets	10,162	-	340,792	486,592
Liabilities	(1)	(1)	(340,792)	(138,633)
Reserves	10,161	(1)	-	347,959

Essex Waterways Limited's total reserves of £444,212 include a £10,690 revaluation reserve and £1 share capital, as well as its retained earnings. The subsidiary owed its parent £nil (2024: £nil) at year end. Post balance sheet event. On 31 March 2025, Essex Waterways Ltd was transferred to a newly formed charity, Essex Waterways Navigation Trust (EWNT). Designated and restricted funds totalling some £150k have been transferred to EWNT. The charity owns the whole of the issued ordinary share capital of Inland Waterways Enterprises Ltd (IWE). IWE undertook event-related trading activities during 2025 and has been consolidated on a line-by-line basis in these financial statements.

Discontinued Operations

On 31 March 2025 the Association transferred its ownership of Essex Waterways Limited ("EWL") to Essex Waterways Navigation Trust, a newly established charity. EWL therefore ceased to be a subsidiary undertaking from that date and its results have been consolidated only for the period from 1 January 2025 to 31 March 2025. As EWL represented the operation of the Chelmer & Blackwater Navigation as a distinct activity, its results for the period to the date of transfer are presented as discontinued operations in these consolidated financial statements. The consideration for the transfer was £1, being equal to the share capital. In connection with the transfer, the Association also transferred to Essex Waterways Navigation Trust the designated balance of £103,515 and the David Pinkney Legacy Fund of £40,761, which was restricted for the benefit of the Chelmer & Blackwater Navigation via the subsidiary company Essex Waterways Ltd.

Notes to the financial statements

For the year ended 31 December 2025

18 Parent charity

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

	2025 £	2024 £
Gross income	1,321,966	1,032,495
Result for the year	<u>324,173</u>	<u>277,158</u>

19 Stock

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Goods for resale	4,945	6,219	4,945	5,574
	<u>4,945</u>	<u>6,219</u>	<u>4,945</u>	<u>5,574</u>

20 Debtors

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	357	5,844	357	515
Amounts due from associated undertakings	-	-	-	-
Other debtors, accrued income and prepayments	214,969	137,084	214,969	120,912
	<u>215,326</u>	<u>142,928</u>	<u>215,326</u>	<u>121,427</u>

21 Creditors: amounts falling due within one year

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	41,399	69,620	41,399	32,285
Taxation and social security	3,773	25,364	3,773	7,864
Other creditors	57,241	143,381	57,241	105,835
Amounts due to associated undertakings	-	-	-	-
Deferred income (note 22)	2,110	33,383	75	3,725
	<u>104,523</u>	<u>271,748</u>	<u>102,488</u>	<u>149,710</u>

22 Deferred income (group)

Deferred income at year end comprises income received in advance for waterways events due to be held in 2025, 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.

	2025 £	2024 £
Balance at the beginning of the year	49,977	60,687
Amount released to income in the year	(49,977)	(60,687)
Amount deferred in the year	2,110	49,977
Balance at the end of the year	<u>2,110</u>	<u>49,977</u>

23 Creditors: amounts falling due after one year

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Deferred income	-	16,594	-	-
	<u>-</u>	<u>16,594</u>	<u>-</u>	<u>-</u>

Notes to the financial statements

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

Group	General unrestricted £	Designated £	Restricted £	Total funds £
Intangible fixed assets	-	-	-	-
Tangible fixed assets	8,455	-	-	8,455
Investment properties	-	-	375,000	375,000
Investments	414,644	61,353	1,269,618	1,745,615
Net current assets	399,269	122,125	-	521,394
Long term liabilities	-	-	-	-
Net assets at 31 December 2025	822,368	183,478	1,644,618	2,650,465

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

Group	General unrestricted £	Designated £	Restricted £	Total funds £
Intangible fixed assets	-	-	-	-
Tangible fixed assets	213,500	-	26,449	239,949
Investment properties	-	-	375,000	375,000
Investments	348,065	61,471	1,035,810	1,445,346
Net current assets	498,362	122,125	-	620,487
Long term liabilities	(16,594)	-	-	(16,594)
Net assets at 31 December 2024	1,043,333	183,596	1,437,259	2,664,188

Notes to the financial statements

For the year ended 31 December 2025

25a Movements in funds (current year)

Group	At 1 January 2025 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2025 £
Restricted funds:					
Charles Hadfield Fund	7,059	462	(3,228)	-	4,293
Lancashire Canals Fund	96	-	(96)	-	-
The Christopher Power Award Fund	3,404	223	(1,014)	-	2,613
The New Power Family Award Fund	28,449	1,862	(121)	-	30,190
Research & Studies Fund	4,460	292	(19)	-	4,733
Waterway Recovery Group Fund	191,208	30,488	(11,523)	-	210,174
Frederick Woodman Fund	6	-	(6)	-	-
J Faulkner Fund	32,297	2,114	(138)	-	34,273
Keith Ayling Legacy Fund	1,376	-	(1,376)	-	-
Averil Dobson Legacy Fund	366,551	81,282	(48,372)	-	399,461
Mary Jackson Legacy Boat House Fund	375,000	-	-	-	375,000
Alison Spooner Legacy Fund	169,308	11,082	(170,033)	-	10,357
Kenneth Todd Legacy Fund	1,000	-	-	-	1,000
Historic England Fund	486	-	-	-	486
South West Inland Waterways Regeneration Fund	47,679	33,986	(14,330)	-	67,335
David Goodwin Legacy Fund	91,223	5,971	(393)	-	96,801
Restoration Hub	20,510	-	-	-	20,510
Cummins Power Systems	1,539	-	(1,539)	-	-
David Pinkney legacy For benefit of Chelmer & Blackwater	40,761	-	(40,761)	-	-
Fund Britain Waterways	7,563	6,349	(994)	-	12,918
BCN Clean up	5	-	(5)	-	-
Other restricted grants	20,830	4,831	(5,995)	-	19,666
TYSON HEAP Legacy	-	354,809	-	-	354,809
Total restricted funds – continuing operations	1,410,810	533,750	(299,942)	-	1,644,618
Discontinued operations — restricted funds					
Essex Waterways Ltd Trip Boat Grant	19,282	-	(19,282)	-	-
Essex Waterways Ltd City Boat Grant	7,167	-	(7,167)	-	-
Total discontinued operations — restricted funds	26,449	-	(26,449)	-	-
Unrestricted funds: – continuing operations					
Funds held by Regions and Branches	122,125	-	-	-	122,125
Tony Harrison legacy	118	-	-	(118)	-
Waterways in Progress	61,353	-	-	-	61,353
Total designated funds – continuing operations	183,596	-	-	(118)	183,478
Fair value reserve	-	-	-	-	-
Revaluation reserve	10,690	-	-	(10,690)	-
General funds	711,038	830,433	(1,070,702)	351,600	822,369
Discontinued operations — unrestricted funds					
General funds	321,605	177,681	(158,494)	(340,792)	-
Total discontinued operations — unrestricted funds	321,605	177,681	(158,494)	(340,792)	-
Total unrestricted funds – continuing operations	905,324	830,433	(1,070,702)	340,792	1,005,847
Total funds	2,664,188	1,541,864	(1,555,587)	-	2,650,465

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

Notes to the financial statements

For the year ended 31 December 2025

25b Movements in funds (prior year)

Group	At 1 January 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2024 £
Restricted funds:					
Charles Hadfield Fund	6,766	337	(44)	-	7,059
Lancashire Canals Fund	96	-	-	-	96
The Christopher Power Award Fund	4,222	210	(28)	(1,000)	3,404
The New Power Family Award Fund	27,270	1,359	(180)	-	28,449
Research & Studies Fund	4,275	213	(28)	-	4,460
Waterway Recovery Group Fund	191,625	22,495	(23,912)	1,000	191,208
Frederick Woodman Fund	6	-	-	-	6
J Faulkner Fund	33,067	1,648	(218)	(2,200)	32,297
Keith Ayling Legacy Fund	1,376	-	-	-	1,376
Averil Dobson Legacy Fund	351,353	17,514	(2,316)	-	366,551
Mary Jackson Legacy Boat House Fund	375,000	-	-	-	375,000
Alison Spooner Legacy Fund	162,289	8,089	(1,070)	-	169,308
Kenneth Todd Legacy Fund	1,000	-	-	-	1,000
Historic England Fund	1,860	-	(1,374)	-	486
Essex Waterways Ltd Trip Boat Grant	19,282	-	-	-	19,282
Essex Waterways Ltd City Boat Grant	7,167	-	-	-	7,167
South West Inland Waterways Regeneration Fund	26,406	25,637	(4,364)	-	47,679
David Goodwin Legacy Fund	87,440	4,359	(576)	-	91,223
Restoration Hub	20,510	-	-	-	20,510
Cummins Power Systems	478	7,244	(6,183)	-	1,539
Chelmer & Blackwater	39,071	1,948	(258)	-	40,761
Fund Britain Waterways	5,389	6,056	(8,882)	5,000	7,563
BCN Clean up	571	-	(566)	-	5
Other restricted grants	17,700	9,912	(7,246)	464	20,830
Total restricted funds	1,384,219	107,021	(57,245)	3,264	1,437,259
Unrestricted funds:					
Funds held by Regions and Branches	122,125	-	-	-	122,125
Tony Harrison legacy	118	-	-	-	118
Waterways in Progress	61,445	-	(92)	-	61,353
Total designated funds	183,688	-	(92)	-	183,596
Revaluation reserve	10,690	-	-	-	10,690
General funds	788,734	1,727,231	(1,480,058)	(3,264)	1,032,643
Total unrestricted funds	983,112	1,727,231	(1,480,150)	(3,264)	1,226,929
Total funds	2,367,331	1,834,252	(1,537,395)	-	2,664,188

Notes to the financial statements

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Purpose of transfer of funds

The restricted fund transfer to unrestricted fund in 2025 was due to the costs incurred related to restricted activities. As these costs were initially paid by the general fund, the transfer has been made from 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 Waterways Recovery Group Fund was raised by supporters to further the work of the Waterway Recovery Group.

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.

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 Restoration Hub was established by the Association to look at ways of addressing issues such as funding, planning and prioritisation, build partnerships and volunteer skill base and further extend the knowledge base and best practice guidance available for waterway restoration.

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.

Cummins Power Systems is a grant awarded to help improve the national towpaths. Funds have been utilised within the Northampton branch at Wootton Brook.

Inland Waterways Association and working with Birmingham Canal Navigations Society on a number of small projects funded by donations. The work mainly carried out by volunteers currently runs as an annual weekend clean up of the Birmingham canals.

Other restricted grants are made up small awards by various organisations. The funds are specified for various waterways or restoration projects.

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

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 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.

A loan facility to Essex Waterways Limited has been agreed by the Inland Waterways Association, in case of large investment expenditure requirements or to give the subsidiary certainty in testing times; to be provided under market conditions. The total potential balance of £100,000 was transferred from the parent's general funds into designated funds during the year.

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	
	2025	2024
	£	£
Less than one year	28,138	11,900
One to five years	31,600	2,975
	59,738	14,875

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	
	2025	2024
	£	£
Less than one year	30,000	30,000
	30,000	30,000

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.