



(A company limited by guarantee)

**Report
and
Financial Statements
Year ended 31st December 2013**

Company Number 612245

Registered Charity Number 212342

Head Office: Island House, Moor Road, Chesham, Buckinghamshire, HP5 1WA

www.waterways.org.uk

Campaigning for the Conservation, Use, Maintenance, Restoration and Development of the Inland
Waterways

The Inland Waterways Association

Report of the trustees for the year ended 31st December 2013

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st December 2013.

Reference and Administrative Details

Charity Number: 212342

Company Number: 612245

Principal Office: Island House, Moor Road, Chesham, Buckinghamshire, HP5 1WA

Auditors: Saffery Champness, Fox House, 26 Temple End, High Wycombe, Bucks HP13 5DR

Bankers: Barclays Bank PLC, 8 Market Place, Kettering, NN16 0AX

Investment Advisers: Cheviot Asset Management, 90 Long Acre, London, WC2E 9RA.

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year-end were as follows:

Directly Elected Trustees

Raymond Carter

Ivor Caplan

Leslie Etheridge

Clive Henderson

Gordon Harrower

Alasdair Lawrance (until 12 October 2013)

Grenville Messham (from 12 October 2013)

James Shead

Gillian Smith

Ian West (until 12 October 2013)

Region Chairmen

Alastair Chambers (Eastern Region until 17 April 2013)

Richard Collet-Fenson (Eastern Region from 3 January 2014)

Roger Holmes (South West Region from 3 January 2013)

Alan Platt (North West Region)

John Pomfret (East Midlands Region until 12 October 2013)

David Pullen (East Midlands Region from 3 January 2014)

Paul Roper (South East Region)

Peter Scott (North East Region)

Paul Strudwick (London Region)

Vaughan Welch (West Midlands Region)

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 trustee indemnity insurance for members of the trustee board of £1,352 including Insurance Premium Tax was paid during the year (2012 = £1,352).

The Inland Waterways Association

Report of the trustees for the year ended 31st December 2013

Statement as to Disclosure of Information to Auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Principal Appointed Officers

National Chairman: Leslie Etheridge
Deputy National Chairmen: Alan Platt, Paul Roper, Ian West (until 12 October 2013).
National Treasurer: Gordon Harrower

Day to day management of the charity is delegated to the following senior employees:

Chief Executive: Neil Edwards
Finance Manager and Company Secretary: Helen Elliott-Adams

More detailed information concerning committees of the Board of Trustees, subsidiary company officers and committees and attendance of trustees at meetings of the Board of Trustees can be found on our website at https://www.waterways.org.uk/about/organisation/organisation_chart.

Structure Governance and Management

Governing Documents

The Inland Waterways Association is a company limited by guarantee governed by its Memorandum and Articles of Association dated 2nd October 1958. The Memorandum was most recently amended to allow for current governance arrangements on 25th September 1999 and the Articles of Association were amended at the Association's Extraordinary Meeting held on 12th April 2014. It is registered as a charity with the Charity Commission. Membership of the Association is open to all and, as at 31st December 2013, the number of members of the Association was 15,939 (2012 = 16,786). Therefore there was a net loss of 847 members on last year, recruitment of new members was also down from 1,499 in 2012 to 1,284 in 2013 (-14.3%) Each member agrees to contribute £1 in the event of the charity winding up.

Appointment of Trustees

Nine trustees are elected through a postal ballot of the whole membership for terms of three years whenever a vacancy arises. Under the Articles of Association, region chairmen and the national treasurer are ex-officio trustees but the current national treasurer is directly elected. There are eight regions. Region chairmen are elected by a postal ballot of members in each respective region for terms of three years unless elected to fill the balance of a term when a vacancy arises during a term of office. All trustees are members of the Association. No trustee appointments are made by outside bodies.

Trustee Induction and Training

New trustees are provided with informal guidance from existing trustees and a list of documents for recommended study is provided from the Association's Head Office. Induction days are available for new trustees to attend.

The Inland Waterways Association

Report of the trustees for the year ended 31st December 2013

Organisation

The Board of Trustees consists of a mix of directly elected and regionally elected trustees. Full details are available in article 50 of the Articles of Association. The Board of Trustees met formally for six meetings during 2013. Trustees usually meet once every two months.

There are five principal committees of the Board of Trustees:

- Finance Committee
- Navigation Committee
- Promotions and Communications Committee
- Restoration Committee
- Waterway Recovery Group

Each of these committees usually meets five to six times per annum.

A chief executive is appointed by the trustees to manage the day-to-day operations of the charity and its subsidiary companies. To facilitate effective operations, the chief executive has the delegated authority, within the terms of delegation approved by the trustees, for operational matters including finance and employment.

Related Parties

The Inland Waterways Association also has two trading subsidiary companies:

- Essex Waterways Limited
- Inland Waterways Enterprises Limited

The boards of directors of the two trading companies meet every two to three months. Essex Waterways Limited began trading in November 2005 with a contract to take over the management of the Chelmer & Blackwater Navigation in Essex following financial difficulties experienced by the owners of the Navigation. The company enjoys the support of Chelmsford City Council, Essex County Council, Essex & Suffolk Water and Maldon District Council. The board of Essex Waterways Limited is appointed by IWA's trustees.

Inland Waterways Enterprises Limited began trading in January 2002. The principal activities of the company during the past year were that of (a) organising waterway festivals, boat rallies and similar events, (b) the selling and distribution of books, DVDs, waterway related gifts, Christmas cards and other products and services, and promoting the cause of the charity. The board of Inland Waterways Enterprises Limited, which is appointed by IWA's trustees, has two committees, IWA Events and Canalway Cavalcade, which meet every two to three months.

The charity and its subsidiary companies have no contractual arrangements with any other party that materially affects the management of the Association or those 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.

IWA provides the secretarial services for the All Party Parliamentary Group for Waterways.

IWA's subsidiary company Essex Waterways Ltd is a member of the Association of Inland Navigation Authorities.

The Inland Waterways Association

Report of the trustees for the year ended 31st December 2013

The Inland Waterways Association appoints nominee trustees to a number of inland waterway related charities, and representatives to attend the governing meetings of a number of other organisations and bodies. These appointments are individually approved by Navigation Committee or Restoration Committee on behalf of the trustees for fixed periods, subject to renewal.

Risk Management

During 2013, the Association's trustees have maintained reviews that try to identify all of the major risks that could have a serious impact on the Association's activity. Trustees continue to assess the likelihood and severity of each risk identified and to formulate detailed policies to ensure that each risk is regularly considered and that preventative measures or plans to deal with such risks are put in place where possible. The trustees are of the opinion that they have taken all reasonable steps to mitigate risks so far identified as far as they reasonably can.

Objectives and Activities

Objects of the Charity

The principal objectives of the charity, which are set out in full in its Memorandum of Association, are:

- To advocate the conservation, use, maintenance and development of the inland waterways of the British Isles, the works relating to them, and any craft or buildings or structures now or previously associated with them,
- To advocate and promote the restoration and the maintenance in good condition of the inland waterways and associated craft, buildings and structures,
- To advocate and promote the fullest use of the inland waterways for appropriate commercial and recreational purposes,
- To educate the public and other bodies about the use and benefits of the inland waterways, and
- To promote and commission research into inland waterways and the publication of the results of such research.

All the Association's objectives are intended for the public benefit. The Association is not exclusive to any particular section of waterway users or other group of people. Membership is open to all who support the Association's objectives.

The Charity's Aims and the Differences it seeks

The Inland Waterways Association aims to:

- Ensure that the existing navigable inland waterways are kept in the most favourable conditions consistent with encouraging widespread public benefit and commercial use (especially the carriage of freight and waterway holidays).
- Encourage the full restoration of currently derelict, abandoned and unusable waterways, and the construction of new waterways, to provide further opportunities for public benefit and commercial use.
- Publish material through printed, electronic and other appropriate means to further public education on all matters concerning the inland waterways.

The Inland Waterways Association

Report of the trustees for the year ended 31st December 2013

The Association aims, through its activities, to influence public opinion and that of key decision makers in navigation authorities, as well as in national, regional and local government and other public agencies, and to further generate appreciation of the waterways, goodwill and support from all sectors of society and from the widest range of organisations, corporate bodies and private individuals.

The Charity's Strategies

During 2013, the Association continued to advocate the conservation, use, maintenance, restoration and development of the inland waterways and to promote their fullest use for appropriate commercial and recreational purposes; to educate the public and other bodies about their use and benefits, and to promote research into inland waterways. This was carried out by the members on a voluntary basis supported by the Head Office staff and financed by a variety of fund-raising events and activities, donations and members' subscriptions.

Public Benefit

In 2013 the Association continued its campaign to maintain and improve awareness of the public benefits of the inland waterways and to secure further improvements. The year's events were influenced by the changes in management of the country's largest navigation authority, Canal & River Trust, which took over most of the responsibilities of British Waterways in 2012. IWA believes this was an important step towards the Association's long-term goal of achieving nationwide management of the UK's full waterway network under a single non-profit making body. IWA has continued to campaign for Government to transfer the river navigations run by the Environment Agency to the Trust as soon as practicable subject to funding and acceptance by CRT's trustees. Whilst expressing no view on the merits or otherwise of HS2 IWA has campaigned hard to protect the inland waterways and will continue to do so

IWA attended shows and hosted national and local events to promote the benefits of the waterways to the general public, and published and increasing range of electronic media, magazines and leaflets to support this activity. IWA actively supports waterway restoration, and through its waterways restoration volunteering organisation, Waterway Recovery Group (www.wrg.org.uk), which organised and subsidised 23 week-long waterway restoration working holidays for volunteers of all ages throughout England and Wales during the year, as well as conducting multiple work parties around the two countries on most weekends. This work particularly enables people to participate in the preservation and restoration of our heritage, and in doing so learn construction and heritage skills.

The Association spent time lobbying against increases in costs well above the level of inflation for waterway users, most notably boaters. The Association was significantly involved in pressing navigation authorities over key matters including facilities, dredging, moorings, licence and overstaying enforcement, maintenance and rights of navigation.

At a local level, IWA branches organised waterway clean ups, local events to raise awareness for the waterways and to raise funds for local and national waterway improvement and restoration schemes and provided labour towards restoration and maintenance of local waterway projects.

IWA currently manages the Chelmer & Blackwater Navigation for the public benefit, through its subsidiary Essex Waterways Ltd, (www.essexwaterways.com) having stepped in to prevent its closure in 2005.

A review of 2013 is available at:
www.waterways.org.uk/information/governing_documents/annual_report_and_accounts

The Inland Waterways Association

Report of the trustees for the year ended 31st December 2013

Awards

The Cyril Styring Trophy, the Association's most prestigious award, was presented to Harry Arnold in recognition of his contributions to the IWA for over 30 years including his editing of *Waterways* magazine from 1992 to 2007 during which time he had raised the profile and immediacy of the magazine.

The John Heap Salver, for fund-raising work, was presented to Roy Chandler for his long term commitment and work in raising considerable funds for IWA's Chelmer & Blackwater Navigation.

The Christopher Power Prize for waterway restoration was awarded to Bernie Jones for his work on the Shrewsbury & Newport Canals. A cash prize was given to the Shrewsbury & Newport Canals Trust.

Richard Bird Medals for members of the Association whose efforts and support are considered to have brought significant benefit to the Association over a sustained period were awarded to Roy Cleverly, (Milton Keynes Branch), Mick and Carole Golds (Erewash Canal), John Stockland and Margaret Beardsmore (both of Lichfield Branch), John Brice (Chiltern Branch) and The Canal Cruising Company of Stone, which was founded in 1948 by Randell Wyatt and has been run by the Wyatt family ever since.

The Branch Achievement Award was presented to IWA Chiltern Branch for its consistent hard work, fundraising efforts and involvement with local events

Grant Making Policies

Whilst not being a substantial part of the Association's activities, the Association provides a small number of grants each year consistent with its objectives, namely, for education, training, waterway development, research and restoration of inland waterways, but does not normally give grants for operating and maintaining operational waterways. Retrospective grants are not normally made. Each application is judged on its merits, there being no preconceived preferences or priorities, with the views of all relevant parts of the Association taken into account. A copy of IWA's full grant making policy is available at <https://www.waterways.org.uk/waterways/restoration/support>.

Volunteers

Much of the Association's work, and that achieved through its subsidiary companies, would not be possible without the many hundreds of volunteers who keenly devote many thousands of hours and days work to the Association's cause. Activities range from committee work to organising festivals and major events, physical restoration work on derelict canals and fund-raising activities. The Association wishes to record its grateful thanks for the unfailing support of waterway groups, corporate members and other bodies as well as members and other individuals who have substantially supported the work of the Association and its subsidiary companies with over 2,500 days worth of organisational, management and governance time, and a further 10,000 days toward restoration direct labour during 2013.

Achievements and Performance

Charitable Activities and Performance against Objectives

The trustees set the following objectives for 2013 which were largely met by the Association.

1. To maintain the Association's exemplary Health & Safety record by ensuring that the safety of all employees, volunteers and other supporters is given the highest priority.
2. To continue IWA's existing activities to campaign for the conservation, restoration and appropriate use and development of the inland waterways, actively encouraging and inspiring the widest possible audience to support the Association's objectives, especially boaters, and maintaining the current enthusiasm for waterways issues amongst parliamentarians. There should be a particular emphasis in encouraging circumstances and arrangements, including funding, for Canal & River Trust to be a success.
3. To work to ensure that Canal & River Trust makes a significant and positive contribution to the wellbeing of the inland waterways; publicly supporting Canal & River Trust to achieve this, but constructively criticising it when necessary, and maintaining a clear distinction between IWA and Canal & River Trust. In particular, IWA should act to ensure that the Trust's navigation role has appropriate prominence and that the partnerships play a useful and constructive role in the management of the waterways they cover.
4. To support, assist and encourage all non-profit making organisations whose objectives are similar to those of the Association's. To lead by example providing inspiration and guidance whilst promoting excellence in responsible and sustainable management, restoration and conservation of the inland waterways. Also to encourage all other relevant corporate and private organisations to act in the best interest of the waterways
5. To maintain good communications with members and other supporters, particularly potential new members, through further developing electronic communications. This should focus on demonstrating charitable work that the Association is undertaking, particularly at a local level, so as to encourage a sense of IWA having a real and on-going purpose, and to continue being a valued and worthwhile organisation that people, especially boaters will be keen to support.
6. To continue the change of focus of IWA's activities towards charitable work that demonstrably brings benefit to the waterways, waterway users and the wider public: to reducing resources previously spent on any marginal activities that appear to the wider public and supporters as an indulgence and from those activities that do not have clear public benefit.
7. To better promote what the Association does in all its activities, including better recognition for WRG as part of IWA, and to ensure that resources are only allocated to those parts of the Association that are able to demonstrate good value in having outputs that can be promoted as having clear public benefit (or otherwise produce income or are required by law).
8. To continue to manage risk in a diligent manner, and to comply with charitable law and other appropriate and relevant regulation.
9. To maintain the Association's long-term financial position by (a) further addressing new income-generating opportunities, notwithstanding the continuing difficult economic situation, (b) better promoting membership recruitment, (c) ensuring the financial viability of activities

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Report of the trustees for the year ended 31st December 2013

and events where campaigning objectives are not the main remit, and (d) continuing to control costs in all areas.

10. To continue the orderly and responsible management of the Chelmer & Blackwater Navigation by Essex Waterways Limited, and bring further improvements to the waterway for the widest community benefit.

Fundraising Activities

Most of the Association's income during 2013 was derived from membership subscriptions, legacies, donations and related funds such as Gift Aid. There was a loss in Inland Waterways Enterprises Limited of £16,954 this was caused by a deficit on the National Festival, other areas of the company traded profitably. Essex Waterways made an operating surplus of £7,308, of which it gifted £7,000 to IWA for a restricted fund to be spent on the Chelmer and Blackwater Navigation. There were no other significant fundraising activities during the year, but modest regular incomes were achieved by branches, regions and other parts of the Association.

Investment Performance

The Association's investments showed a net profit of £125,675 during the year, from a portfolio worth £1,252,348 at 31st December 2013 and £1,268,549 at 31st December 2012. The Association's Investments were managed by Quilter Cheviot during the year. A full list of the investments held is provided to members of Finance Committee every three months. The value of investments managed was £1,058,141 at 31 December 2013 and £887,625 at 31 December 2012.

Financial Review

Reserves Policy

The Association's unrestricted funds comprise the following:

- The General Fund, which comprises the accumulated surplus on unrestricted funds and is available for use in furtherance of the charitable objectives of the Association.
- The Regions' and Branches' Fund, a designated fund that represents funds held to enable each region and branch to carry out its regional and local activities within the scope permitted by the articles of Association and the byelaws.

Restricted funds represent monies set aside for particular projects or purposes and are administered in accordance with the instructions or intentions of the donors. Movements in restricted funds are detailed in Note 15 to the Financial Statements.

The Association's income may vary from year to year due to unforeseen changes, for example in the value of the Association's investments, in the income from Inland Waterways Enterprises Limited, in membership income and in the value of donations and legacies received.. Similarly its expenditure can change, for example due to needs for major urgent expenditure on campaigning or on waterway restoration or for legal advice or legal action.. The Association therefore holds reserves that enable it to continue its activities whenever the need arises and irrespective of any financial or operational difficulty the Association may be experiencing at the time.

The reserves consist of the General Fund less the funds invested in tangible fixed assets and less the value of all commitments made from the General Fund based on the risk assessments it has carried out, trustees have concluded that IWA's reserves should lie between £325,000 and £650,000.

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Report of the trustees for the year ended 31st December 2013

The free reserves as at 31st December 2013 were £934,925 (£827,732 as at 31st December 2012). In addition to commitments already given, trustees planned an excess of expenditure over income for unrestricted funds of £144,506 in 2014.

Trustees will continue to review the reserves policy annually. No funds were in deficit at the year end.

Principal Funding Sources

The Association's principal funding sources for 2013 were: subscriptions from members (£389,763); grant income (£136,845); donations (£57,819), (of which £7,825 was restricted); legacies (£59,289); and investment income (£38,195); (of which £4,831 was restricted). The net result of trading activities undertaken through Inland Waterways Enterprises Limited (including festivals and sales of goods) showed a deficit for the year of £16,954 (compared to a surplus of £11,102 in 2012).

Total net incoming resources available for charitable applications during 2013 were £1,432,587 (compared to £1,336,854 in 2012). This enabled charitable expenditure of £1,589,246 (compared to £1,191,556 in 2012), and, when combined with profit on investments of £125,675 increased the General Fund carried forward to 2014.

Investment Policy

Management of the Association's investments is through Finance Committee and its Investment Working Group sub-committee. Investments are managed on a discretionary basis by Quilter Cheviot Holdings Limited which is appointed by trustees via Finance Committee.

Quilter Cheviot Holdings Limited has been provided with an Investment Strategy and Investment Policy, approved by IWA's trustees.

The Association's investment policy is:

1. Investments will take account of all known financial commitments. The market value, including cash, of the investment portfolios relating to unrestricted funds, plus the value of other funds in deposit accounts, shall be maintained as far as possible within the desirable range set out in IWA's reserves policy.
2. There shall be no investment in futures, forwards, options, swaps, hedge funds and other derivatives.
3. No investment other than cash shall be made that takes the total value of any one holding to more than 5% of the value of the portfolio. Where through investment performance any holding exceeds 5% there will be no immediate requirement to sell the excess.
4. The investment managers shall report to the Investment Working Group at quarterly intervals, or more often if necessary, providing full details of the portfolio including
 - List of individual investments, listing purchase price and date, current market value, yield, percentage of overall portfolio value
 - Overall portfolio value, broken down to show sector classifications
 - List of transactions since previous report
 - Performance of portfolios including comparisons with appropriate benchmarks
 - Statements of capital and income transactions during the period under review
 - Any further information, comment or recommendations as the Investment Working Group may at any time request.

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Report of the trustees for the year ended 31st December 2013

5. At least at annual intervals or more often if necessary the investment managers shall review with the Investment Working Group (a) the financial performance and future prospects of the portfolio and (b) the overall management of the portfolios in the light of the IWA's then current investment strategy and policy.

6. The Investment Working Group shall report in writing half-yearly to IWA's Finance Committee, or more often as appropriate, on the operation of IWA's investment strategy and policy and on portfolio changes.

7. The Finance Manager in consultation with the Investment Working Group will ensure that sufficient funds are held in the form of cash or short term deposits (i.e. no longer than 5 years) which are in total sufficient for the day to day running of the organisation including the obligations to restricted and designated funds as appropriate.

There are no specific instructions to investment managers concerning social, environmental or ethical considerations other than investments must not be made in institutions that would be adverse to the objectives of the charity.

Plans for Future Periods

Trustees set the following objectives for 2014:

1. To maintain the Association's exemplary Health & Safety record by ensuring that the safety of all employees, volunteers and other supporters is given the highest priority.
2. To campaign for the conservation, restoration and appropriate use and development of the inland waterways, actively encouraging and inspiring the widest possible audience, particularly boaters, to support the Association's objectives and activities.
3. To work to ensure that all navigation authorities make a significant and positive contribution to the wellbeing of the inland waterways; publicly supporting Canal & River Trust and other navigation authorities to work together and collaborate to achieve this, to constructively criticise when necessary, and promoting the highest expectations of all in the interest of ensuring a sustainable future for all waterways.. In particular, IWA should act to ensure that Canal and River Trust's partnerships play a useful and constructive role in the management of the waterways they cover.
4. To lobby politicians, and Government and other relevant bodies for the speedy transfer of the Environment Agency's navigations to Canal and River Trust along with a fair and reasonable settlement to enable the Trust to accept these waterways, as a further step towards achieving a modern equivalent of Aickman's Waterways Conservancy aspiration.
5. To support, assist and encourage all non-profit making organisations whose objectives are similar to those of the Association's. To lead by example providing inspiration and guidance whilst promoting excellence in responsible and sustainable management, restoration and conservation of the inland waterways. Also to encourage all other relevant corporate and private organisations to act in the best interest of the waterways
6. To maintain good communications with members and other supporters, particularly potential new members, through further developing electronic communications. This should focus on charitable work that the Association is undertaking, both at a national and local level, to demonstrate IWA having a real and on-going purpose, as a valued and worthwhile organisation that people will be keen to support.

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Report of the trustees for the year ended 31st December 2013

7. To focus IWA's activities towards charitable work that demonstrably brings benefit to the waterways, waterway users and the wider public: to reducing resources spent on any marginal activities that appear to the wider public and supporters as an indulgence and also from those activities that do not have clear public benefit.
8. To better promote what the Association does in all its activities, including better recognition for WRG as part of IWA, and to ensure that resources are only allocated to those parts of the Association that are able to demonstrate good value in having outputs that can be promoted as having clear public benefit (or otherwise produce income or are required by law).
9. To continue to manage risk in a diligent manner, and to comply with charitable law and other appropriate and relevant regulation.
10. To maintain the Association's long-term financial position by (a) further addressing new income-generating opportunities, notwithstanding the continuing difficult economic situation, (b) better promoting membership recruitment, (c) ensuring the financial viability of activities and events where campaigning objectives are not the main remit, and (d) continuing to closely control costs in all areas.
11. To continue the orderly and responsible management of the Chelmer & Blackwater Navigation by Essex Waterways Limited, and bring further improvements to that waterway for the widest community benefit.

Trustees Responsibilities

The directors (trustees) are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Report of the trustees for the year ended 31st December 2013

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Association's web site. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board of Trustees:

Leslie Etheridge
National Chairman

Helen Elliott-Adams
Company Secretary

Head Office and Registered Office:
Island House, Moor Road, Chesham,
Buckinghamshire, HP5 1WA

14th June 2014

The Inland Waterways Association

FINANCIAL STATEMENTS

for the year ended
31 December 2013

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Financial Statements

For the year ended 31 December 2013

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 4 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members and the trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members and trustees those matters we are required to state to them in an auditors' 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 company, the company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the 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.

We have been appointed as auditors under the Charities Act 2011 and the Companies Act 2006 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2013 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other requirement of the Companies Act 2006

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

The Inland Waterways Association

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS CONTINUED

Matters on which we are required to report by exception

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

- the parent charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity 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.

Karen Bartlett (Senior Statutory Auditor)
For and on behalf of Saffery Champness

Chartered Accountants
Statutory Auditors

Fox House
26 Temple End
High Wycombe
Buckinghamshire
HP13 5DR

The Inland Waterways Association
GROUP CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
 (incorporating Income and Expenditure Account) For the year ended 31 December 2013

	Note:	Unrestricted funds 2013 £	Restricted funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary Income:					
Donations and legacies	2	109,283	7,825	117,108	188,292
Grant Income		127,982	-	127,982	33,051
Subscriptions from members		389,763	-	389,763	390,938
Activities for generating funds:					
Sales of goods and services		111,730	-	111,730	103,667
Festivals income		150,036	-	150,036	47,159
Other events and activities		68,342	13,709	82,051	93,448
Charitable trading		15,415	-	15,415	18,307
Navigation management income		389,472	-	389,472	411,960
Investment income	4	33,364	4,831	38,195	30,750
Incoming resources from charitable activities:					
Publications Income		4,474	-	4,474	4,824
Public meetings and other activities		16,181	-	16,181	14,458
Total incoming resources		1,416,042	26,365	1,442,407	1,336,854
Resources expended					
Cost of generating funds:					
Fundraising trading: costs of goods sold and other costs					
Cost of sales of goods and services		90,354	-	90,354	75,368
Festivals		179,237	-	179,237	39,482
Other events and activities		1,873	-	1,873	2,286
Charitable trading		3,749	-	3,749	7,923
Navigation management costs		481,865	-	481,865	329,962
Investment Management Costs		2,430	-	2,430	4,015
Charitable Activities					
Campaign and restoration costs	5a	447,957	117,087	565,044	479,052
Membership support costs	5b	179,553	-	179,553	178,630
Public meetings and other activities	5c	12,465	-	12,465	5,362
Governance Costs	5d	72,676	-	72,676	69,476
Total Resources Expended	6	1,472,159	117,087	1,589,246	1,191,556
Net resources expended before transfers		(56,117)	(90,722)	(146,839)	145,298
Transfers					
Transfers between funds		(7,000)	7,000	-	-
Net incoming resources before other recognised gains and losses		(63,117)	(83,722)	(146,839)	145,298
Gains on investments	10	125,675	-	125,675	66,149
Net movement in funds		62,558	(83,722)	(21,164)	211,447

The Inland Waterways Association
GROUP CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
 (incorporating Income and Expenditure Account) For the year ended 31 December 2013

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Net movement in funds	62,558	(83,722)	(21,164)	211,447
Fund balances at 1 January	1,174,154	511,128	1,685,282	1,473,835
Fund balances at 31 December	<u>1,236,712</u>	<u>427,406</u>	<u>1,664,118</u>	<u>1,685,282</u>

All incoming resources and resources expended derive from continuing activities.

The notes on pages 7 to 23 form part of these financial statements.

The Inland Waterways Association
BALANCE SHEET
AS AT 31 DECEMBER 2013

	<i>Note:</i>	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
Fixed assets					
Tangible assets	9	38,475	51,241	23,372	5,234
Investments	10	1,252,348	1,268,549	1,317,452	1,364,557
		<u>1,290,823</u>	<u>1,319,790</u>	<u>1,340,824</u>	<u>1,369,791</u>
Current assets					
Stocks	11	25,307	38,113	-	-
Debtors	12	60,940	80,810	48,404	61,904
Cash at Bank and in hand		455,711	422,931	408,612	350,763
		<u>541,958</u>	<u>541,854</u>	<u>457,016</u>	<u>412,667</u>
Creditors: Amounts falling due within one year	13	(155,010)	(156,824)	(91,917)	(86,132)
Net current assets		<u>386,948</u>	<u>385,030</u>	<u>365,099</u>	<u>326,535</u>
Total assets less current liabilities		1,677,771	1,704,820	1,705,923	1,696,326
Creditors: Amounts falling due after more than one year					
Life membership account	14	(13,653)	(19,538)	(13,653)	(19,538)
		<u>1,664,118</u>	<u>1,685,282</u>	<u>1,692,270</u>	<u>1,676,788</u>
Funds					
Restricted funds	15	427,406	511,128	427,406	511,128
Unrestricted funds:					
- Designated funds	16	263,266	295,081	263,266	295,081
- General fund	16	973,446	879,073	1,001,598	870,579
		<u>1,664,118</u>	<u>1,685,282</u>	<u>1,692,270</u>	<u>1,676,788</u>

The financial statements on pages 4 to 23 were approved and authorised for issue by the Board of Trustees on 14 June 2014 and signed on its behalf by:

LESLIE ETHERIDGE (Chairman)

GORDON HARROWER (Trustee)

Company Registration No. 612245

The Inland Waterways Association
ACCOUNTING POLICIES
For the year ended 31 December 2013

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) and Companies Act 2006 and applicable accounting standards.

BASIS OF CONSOLIDATION

The Consolidated Statement of Financial Activities includes the results of the Charity and all its subsidiaries made up to 31 December 2013. The results of the subsidiaries are consolidated on a line by line basis. Details of the subsidiary undertakings together with a summary of their income and expenditure for the year are shown in notes 3 and 10.

A separate Statement of Financial Activities, or Income and Expenditure Account, for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The surplus for the year dealt with in the financial statements of the Charity was £15,482 (2012: surplus £209,834).

INCOMING RESOURCES

All incoming resources are included in the Consolidated Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

GRANTS RECEIVABLE

Grants in respect of capital expenditure are credited to deferred capital grants and released to the Consolidated Statement of Financial Activities over the estimated useful life of the relevant assets. Grants of a revenue nature are credited in the period to which they relate.

RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. The cost of services such as personnel, office facilities and management is allocated to the functional categories of expenditure included in the financial statements based on an analysis of the time spent by each department.

GRANTS PAYABLE

Grants payable are accounted for in full to the extent that past events have created a valid expectation in other parties that the charity will honour commitments, both legal and implied and any attaching conditions are outside our control.

COST OF GENERATING FUNDS

The cost of generating funds consists of those costs incurred in the generation of the group's trading activities and investment management fees.

CHARITABLE ACTIVITIES

Costs of charitable activities include the cost of grants, membership support costs, restoration costs, public meeting costs and a proportion of overhead and support costs as shown in note 5.

GOVERNANCE COSTS

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs as shown in note 5(d).

The Inland Waterways Association
ACCOUNTING POLICIES
For the year ended 31 December 2013

DEPRECIATION

Tangible fixed assets costing more than £1,000 are capitalised. Depreciation is calculated to write off the cost, less estimated residual value of fixed assets over their estimated useful lives on a straight line basis as follows:

Computer equipment	- 3 to 4 years
Plant and equipment	- 3 to 10 years
Motor vehicles	- 4 years
Leasehold land and buildings	-10 years

INVESTMENTS

Investments are stated at 'mid-market' prices at the Balance Sheet date. The Consolidated Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

STOCK

Stock of goods for resale has been valued at the lower of cost and net realisable value.

LIFE MEMBERSHIP SUBSCRIPTIONS

Amounts received in respect of life membership are taken to the life membership account and released to incoming resources evenly over 10 years.

FUND ACCOUNTING

The funds of the charity are segregated between:

Restricted funds

Comprising monies where a restriction has been placed on their use by a donor. These are separately accounted for and described in note 15.

Unrestricted funds comprising:-

Designated funds

Funds held by IWA Branches and Regions, and WRG regional groups - to enable each region or branch to carry out its activities.

General fund

Comprising the accumulated surplus on unrestricted funds and is available for use in furtherance of the charitable objectives of the charity.

The Inland Waterways Association
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 December 2013

1 STATUS

The Charity is a company registered in England, limited by the guarantee of each member to a maximum limit of £1 each and has no share capital. It is a registered charity under the Charities Acts 1960 and 2011. As a Charity, tax exemption applies to the income arising from and expended on its charitable activities.

2 DONATIONS AND LEGACIES	Unrestricted funds £	Restricted funds £	Total funds 2013 £	Total funds 2012 £
Donations	49,994	7,825	57,819	76,247
Legacies	59,289	-	59,289	112,045
	<u>109,283</u>	<u>7,825</u>	<u>117,108</u>	<u>188,292</u>

3 INCOME FROM SUBSIDIARIES' TRADING ACTIVITIES

The Charity owns the whole of the issued ordinary share capital of Inland Waterways Enterprises Limited and Essex Waterways Limited. Each company is registered in England and details of their activities are given in note 10.

A summary of each company's trading results are shown below:

Summary profit and loss accounts

	Essex Waterways Limited		Inland Waterways Enterprises Limited	
	2013 £	2012 £	2013 £	2012 £
Turnover	517,454	445,850	281,766	150,826
Cost of sales and operating expenses	(508,960)	(352,765)	(297,543)	(138,828)
Net interest receivable/ (payable)	(1,186)	(1,475)	(1,177)	(896)
Net profit	<u>7,308</u>	<u>91,610</u>	<u>(16,954)</u>	<u>11,102</u>
Amount gifted to the Charity	(7,000)	(90,000)	-	(11,100)
Retained in subsidiary	<u>308</u>	<u>1,610</u>	<u>(16,954)</u>	<u>2</u>

The Inland Waterways Association
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

4	INVESTMENT INCOME	Unrestricted funds £	Restricted funds £	Total funds 2013 £	Total funds 2012 £
	Bank interest	4,531	4,831	9,362	6,464
	Income from quoted investments	28,833	-	28,833	24,286
		<u>33,364</u>	<u>4,831</u>	<u>38,195</u>	<u>30,750</u>
		<u><u>33,364</u></u>	<u><u>4,831</u></u>	<u><u>38,195</u></u>	<u><u>30,750</u></u>
5	COSTS OF CHARITABLE ACTIVITIES				
		Unrestricted funds £	Restricted funds £	Total funds 2013 £	Total funds 2012 £
(a)	Campaign and restoration costs				
	Staff costs	139,642	-	139,642	146,489
	Proportion of building and infrastructure costs	29,469	-	29,469	34,583
	Printing, postage and stationery	1,113	-	1,113	2,741
	Meeting, travel and officers' expenses	26,549	-	26,549	29,444
	Donations and grants	61,315	985	62,300	36,547
	Working Party Costs	16,781	-	16,781	7,567
	WRG restoration costs	64,896	22,384	87,280	94,941
	Other restoration costs	-	93,718	93,718	23,932
	Branch & region magazines, printing, advertising expense etc.	27,700	-	27,700	31,455
	Campaign Costs	32,823	-	32,823	24,323
	Computer and Consultancy Costs	15,342	-	15,342	13,757
	Other direct costs of activities	32,327	-	32,327	33,273
		<u>447,957</u>	<u>117,087</u>	<u>565,044</u>	<u>479,052</u>
		<u><u>447,957</u></u>	<u><u>117,087</u></u>	<u><u>565,044</u></u>	<u><u>479,052</u></u>
(b)	Membership support costs				
	Staff costs	99,013	-	99,013	101,698
	Proportion of building and infrastructure costs.	20,782	-	20,782	23,624
	Printing, postage and stationery	785	-	785	2,518
	Brochures and advertising	1,054	-	1,054	1,594
	Computer and Consultancy Costs	11,185	-	11,185	9,397
	Membership and recruitment costs	16,045	-	16,045	15,390
	Other direct costs	30,689	-	30,689	24,409
		<u>179,553</u>	<u>-</u>	<u>179,553</u>	<u>178,630</u>
		<u><u>179,553</u></u>	<u><u>-</u></u>	<u><u>179,553</u></u>	<u><u>178,630</u></u>

The Inland Waterways Association
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 December 2013

5 COSTS OF CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted funds £	Restricted funds £	Total funds 2013 £	Total funds 2012 £
(c) Public meetings and other activities				
Public meetings and other activities	12,465	-	12,465	5,362
(d) Governance Costs				
Staff costs	21,757	-	21,757	22,652
Proportion of building and infrastructure costs.	6,826	-	6,826	7,855
Printing, postage and stationery	258	-	258	622
Computer and Consultancy Costs	3,556	-	3,556	3,124
Annual General Meeting costs	241	-	241	773
Annual review printing costs	1,846	-	1,846	1,934
Audit & Accountancy*	23,126	-	23,126	19,489
Legal Costs	2,820	-	2,820	2,681
Financial Services Authority Fees	1,121	-	1,121	539
Trustee Insurance Costs	1,352	-	1,352	1,352
National Chairman's expenses	2,895	-	2,895	2,520
Trustee Board Meeting Costs	870	-	870	765
Other Direct Costs	6,008	-	6,008	5,170
		-		
	<u>72,676</u>	<u>-</u>	<u>72,676</u>	<u>69,476</u>

*Audit fees in respect of the charity and its subsidiary companies amounted to £20,440 (2012: £17,900).

The Inland Waterways Association
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

6 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Grants and Donations £	Staff costs (note 7) £	Other costs £	Depreciation £	Total expended 2013 £	Total expended 2012 £
Cost of generating funds:						
Fundraising trading: costs of goods sold and other costs:						
Cost of sales of goods and services	-	11,846	78,508	-	90,354	75,368
Festivals	-	9,830	169,407	-	179,237	39,482
Other events and activities	-	-	1,872	-	1,872	2,286
Charitable trading	-	-	3,749	-	3,749	7,923
Navigation management costs	-	19,559	449,943	12,363	481,865	329,962
Investment Management Costs	-	-	2,430	-	2,430	4,015
Charitable activities:						
Campaign and restoration costs	61,315	139,642	363,138	949	565,044	479,052
Membership support costs	-	99,013	79,848	692	179,553	178,630
Public meetings and other activities	-	-	12,465	-	12,465	5,362
Governance Costs	-	21,757	50,700	220	72,677	69,476
	<u>61,315</u>	<u>301,647</u>	<u>1,212,060</u>	<u>14,224</u>	<u>1,589,246</u>	<u>1,191,556</u>

The Inland Waterways Association
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 December 2013

7	STAFF COSTS	2013	2012
		£	£
	Wages and salaries	243,286	249,122
	Social security costs	22,253	23,044
	Other costs	36,108	34,957
		<u>301,647</u>	<u>307,123</u>
		<u><u> </u></u>	<u><u> </u></u>

There were no employees earning over £60,000 per annum
 (2012: none)

	2013	2012
	No.	No.
The average number of employees of the Charity, calculated on a full-time equivalent basis analysed by function was:		

Charitable activities	5	6
Support Staff	5	4
	<u>10</u>	<u>10</u>
	<u><u> </u></u>	<u><u> </u></u>

8 TRUSTEES' REMUNERATION AND INSURANCE

The members of the Board of Trustees receive no remuneration for their services. During the year, 11 (2012: 12) members were reimbursed travel and incidental expenses incurred in respect of their services to the Group totalling £12,908 (2012: £10,439). The premium for trustee indemnity insurance for members of the Board of Trustees was £1,352 (2012:£1,352).

The Inland Waterways Association
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

9 TANGIBLE FIXED ASSETS

Group	Leasehold Premises	Computer equipment £	Plant and equipment £	Motor vehicles £	Total £
Cost					
1 January 2013	6,500	29,691	151,508	166,260	353,959
Additions	-	-	1,458	-	1,458
Disposals	-	-	-	-	-
31 December 2013	<u>6,500</u>	<u>29,691</u>	<u>152,966</u>	<u>166,260</u>	<u>355,417</u>
Depreciation					
1 January 2013	1,720	29,691	105,901	165,406	302,718
Charge for year	875	-	12,611	738	14,224
Disposals	-	-	-	-	-
31 December 2013	<u>2,595</u>	<u>29,691</u>	<u>118,512</u>	<u>166,144</u>	<u>316,942</u>
Net book value					
31 December 2013	<u>3,905</u>	<u>-</u>	<u>34,454</u>	<u>116</u>	<u>38,475</u>
31 December 2012	<u>4,780</u>	<u>-</u>	<u>45,607</u>	<u>854</u>	<u>51,241</u>

Charity	Computer equipment £	Plant and equipment £	Motor vehicles £	Total £
Cost				
1 January 2013	29,691	60,763	160,660	251,114
Additions	-	20,000	-	20,000
Disposals	-	-	-	-
31 December 2013	<u>29,691</u>	<u>80,763</u>	<u>160,660</u>	<u>271,114</u>
Depreciation				
1 January 2013	29,691	56,267	159,922	245,880
Charge for year	-	1,124	738	1,862
Disposals	-	-	-	-
31 December 2013	<u>29,691</u>	<u>57,391</u>	<u>160,660</u>	<u>247,742</u>
Net book value				
31 December 2013	<u>-</u>	<u>23,372</u>	<u>-</u>	<u>23,372</u>
31 December 2012	<u>-</u>	<u>4,496</u>	<u>738</u>	<u>5,234</u>

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

The Inland Waterways Association
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

10	FIXED ASSET INVESTMENTS	Group 2013 £	Group 2012 £
	Market value at 1 January	1,268,549	1,157,998
	Additions	168,298	400,773
	Disposals proceeds	(123,177)	(509,559)
	Transfer to current assets – Cash at bank	(215,830)	128,902
	Net investment profit (net of £29,088 realised gains, 2012 realised gains £152,823)	125,675	66,149
	Dividends and interest	28,833	24,286
	Market value at 31 December	1,252,348	1,268,549
	Historic cost of investments	730,311	671,661

Investments are held in the UK and comprise the following:-

	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
Listed investments	1,058,141	887,625	1,058,141	887,625
Other investments	2	2	-	-
Loan to subsidiary undertakings	-	-	65,104	96,008
Cash deposits	194,205	380,922	194,205	380,922
Shares in subsidiary companies	-	-	2	2
	1,252,348	1,268,549	1,317,452	1,364,557

Name	Business activity
Wholly owned Trading Subsidiaries of the charity: Inland Waterways Enterprises Limited	<ul style="list-style-type: none"> ● Selling and distribution of books, Christmas cards and products promoting the cause of the Charity ● Organisation and promotion of festivals, events, fundraising activities and publicity work generally to promote the aims of the Charity
Essex Waterways Limited	<ul style="list-style-type: none"> ● Manage the Chelmer & Blackwater Navigation
Dormant Subsidiary: Waterway Recovery Group Limited	<ul style="list-style-type: none"> ● Net Assets £1

The Inland Waterways Association
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

11	STOCKS	Group	Group	Charity	Charity
		2013	2012	2013	2012
		£	£	£	£
	Goods for resale	25,307	38,113	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
12	DEBTORS	Group	Group	Charity	Charity
		2013	2012	2013	2012
		£	£	£	£
	Due within one year:				
	Trade debtors	9,986	19,471	2,711	10,211
	Amounts due from subsidiary undertakings	-	-	3,126	105
	Income tax recoverable	6,338	3,502	4,340	-
	Other debtors and prepayments	28,020	41,035	21,631	34,786
	Accrued income	16,596	16,802	16,596	16,802
		<u>60,940</u>	<u>80,810</u>	<u>48,404</u>	<u>61,904</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
13	CREDITORS	Group	Group	Charity	Charity
		2013	2012	2013	2012
		£	£	£	£
	Amounts falling due within one year:				
	Trade creditors	22,044	22,006	16,335	16,429
	Other taxes and social security	16,177	13,851	6,369	6,227
	Amount due to subsidiary undertakings	-	-	9,820	2,866
	Life membership account (note 14)	8,395	8,117	8,395	8,117
	Other creditors and accruals	108,394	112,850	50,998	52,492
		<u>155,010</u>	<u>156,824</u>	<u>91,917</u>	<u>86,131</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

The Inland Waterways Association
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 December 2013

14 LIFE MEMBERSHIP ACCOUNT

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

	Group and Charity	
	2013	2012
	£	£
After 5 years	3,522	3,064
Within 2 to 5 years	6,078	8,357
Within 1 to 2 years	4,053	8,117
	<hr/>	<hr/>
Within 1 year	13,653	19,538
	8,395	8,117
	<hr/>	<hr/>
	22,048	27,655
	<hr/>	<hr/>
The movements during the year were:		
1 January	27,655	32,171
New life members in year	2,510	3,241
Transferred to income in year	(8,117)	(7,757)
	<hr/>	<hr/>
31 December	22,048	27,655
	<hr/>	<hr/>

The Inland Waterways Association
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 December 2013

15	RESTRICTED FUNDS GROUP	1 January 2013 £	Incoming resources £	Resources expended £	Transfers £	31 December 2013 £
	Chelmer and Blackwater Fund	8,509	607	-	-	9,116
	Chelmer and Blackwater Number 2 Fund	200,474	1,939	(90,000)	7,000	119,413
	Charles Hadfield Fund	6,903	283	(501)	-	6,685
	Ipswich and Stowmarket Navigation Fund	9,223	84	(3,000)	-	6,307
	Lancashire Canals Fund	11,589	145	(100)	-	11,634
	The Christopher Power Award Fund	11,849	145	(985)	-	11,009
	The New Power Family Award	22,383	280	-	-	22,663
	Research & Studies Fund	5,617	70	-	-	5,687
	Waterway Recovery Group Fund	165,388	18,979	(22,384)	-	161,983
	Frederick Woodman Fund	3	-	-	-	3
	National Restoration Appeal	69,190	3,833	(117)	-	72,906
		<u>511,128</u>	<u>26,365</u>	<u>(117,087)</u>	<u>7,000</u>	<u>427,406</u>

The Inland Waterways Association
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 December 2013

15	RESTRICTED FUNDS CHARITY	1 January 2013 £	Incoming resources £	Resources expended £	Transfers £	31 December 2013 £
	Chelmer and Blackwater Fund	8,509	607	-	-	9,116
	Chelmer and Blackwater Number 2 Fund	200,474	8,939	(90,000)	-	119,413
	Charles Hadfield Fund	6,903	283	(501)	-	6,685
	Ipswich and Stowmarket Navigation Fund	9,223	84	(3,000)	-	6,307
	Lancashire Canals Fund	11,589	145	(100)	-	11,634
	The Christopher Power Award Fund	11,849	145	(985)	-	11,009
	The New Power Family Award	22,383	280	-	-	22,663
	Research & Studies Fund	5,617	70	-	-	5,687
	Waterway Recovery Group Fund	165,388	18,979	(22,384)	-	161,983
	Frederick Woodman Fund	3	-	-	-	3
	National Restoration Appeal	69,190	3,833	(117)	-	72,906
		<u>511,128</u>	<u>33,365</u>	<u>(117,087)</u>	<u>-</u>	<u>427,406</u>

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The Chelmer and Blackwater Fund was created to assist with the care and maintenance of the Chelmer and Blackwater Navigation.

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

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

The Ipswich and Stowmarket Navigation Fund was created to assist with the restoration of the Ipswich and Stowmarket Navigation.

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 was established to fund waterways restoration, particularly new projects.

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

The Waterway 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 National Restoration Appeal was established to fund restoration work on Inglesham Lock, on the Thames and Severn Canal.

A transfer of £7,000 was made from unrestricted funds to the Chelmer and Blackwater Number 2 Fund during the year.

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16	UNRESTRICTED FUNDS	1 January 2013 £	Incoming resources £	Resources expended £	Transfers £	Net profits on investments £	31 December 2013 £
	GROUP						
	Designated Funds						
	Funds held by Regions and Branches	295,081	85,510	(117,325)	-	-	263,266
		<u>295,081</u>	<u>85,510</u>	<u>(117,325)</u>	<u>-</u>	<u>-</u>	<u>263,266</u>
	General Fund	879,073	1,320,712	(1,345,014)	(7,000)	125,675	973,446
		<u>1,174,154</u>	<u>1,406,222</u>	<u>(1,462,339)</u>	<u>(7,000)</u>	<u>125,675</u>	<u>1,236,712</u>
		<u><u>1,174,154</u></u>	<u><u>1,406,222</u></u>	<u><u>(1,462,339)</u></u>	<u><u>(7,000)</u></u>	<u><u>125,675</u></u>	<u><u>1,236,712</u></u>
	CHARITY	1 January 2013 £	Incoming resources £	Resources expended £	Transfers £	Net profits on investments £	31 December 2013 £
	Designated Funds						
	Funds held by Regions and Branches	295,081	85,510	(117,325)	-	-	263,266
		<u>295,081</u>	<u>85,510</u>	<u>(117,325)</u>	<u>-</u>	<u>-</u>	<u>263,266</u>
	General Fund	870,579	614,916	(602,572)	(7,000)	125,675	1,001,598
		<u>1,165,660</u>	<u>700,426</u>	<u>(719,897)</u>	<u>(7,000)</u>	<u>125,675</u>	<u>1,264,864</u>
		<u><u>1,165,660</u></u>	<u><u>700,426</u></u>	<u><u>(719,897)</u></u>	<u><u>(7,000)</u></u>	<u><u>125,675</u></u>	<u><u>1,264,864</u></u>

A further £44,608 received as legacy income is also being treated as designated funds.

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17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2013 are represented by:

GROUP	Restricted funds £	Designated funds £	General funds £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	-	-	38,475	38,475	51,241
Investments	-	263,226	989,122	1,252,348	1,268,549
Net current assets	427,406	-	(40,457)	386,948	385,030
Long term liability	-	-	(13,653)	(13,653)	(19,538)
Total net assets at 31 December 2013	<u>427,406</u>	<u>263,226</u>	<u>973,487</u>	<u>1,664,118</u>	<u>1,685,282</u>

Fund balances at 31 December 2013 are represented by:

CHARITY	Restricted funds £	Designated funds £	General funds £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	-	-	23,372	23,372	5,233
Investments	-	263,226	1,054,226	1,317,452	1,364,537
Net current assets	427,406	-	(62,307)	365,099	326,536
Long term liability	-	-	(13,653)	(13,653)	(19,538)
Total net assets at 31 December 2013	<u>427,406</u>	<u>263,226</u>	<u>1,001,638</u>	<u>1,692,270</u>	<u>1,676,768</u>

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18 FINANCIAL COMMITMENTS

At the year end the Charity has either given or is negotiating commitments to funding certain waterway restoration and development projects. These are subject to specific conditions being agreed and met. At 31 December 2013 £21,290 (2012: £36,800) had been committed to other projects whose value is less than £50,000.

In addition to the above, certain regions and branches have earmarked £25,141 (2012: £41,563) for specific waterway projects.

At 31 December 2013 the charity had annual commitments under non-cancellable operating leases as follows:

Expiry date:	Land and Buildings	
	2013	2012
	£	£
Within one year	-	-
One to five Years	35,000	35,000
	<u>35,000</u>	<u>35,000</u>

19 RELATED PARTY TRANSACTIONS

During the year the group purchased goods (net of VAT) totalling £12,921 (2012: £24,990) from Chandler Material Supplies Limited, a company controlled by family members related to Roy Chandler, a director of Essex Waterways Limited. The balance due to Chandler Material Supplies Limited as at 31 December 2013 was £1,613 (2012: £3,761). The group also purchased goods (net of VAT) totalling £281 (2012: £158) from Elmdale Welding and Engineering Supplies Limited, a company controlled by family members related to Roy Chandler, a director of Essex Waterways Limited. The balance due to Elmdale Welding and Engineering Supplies Limited as at 31 December 2013 was £nil (2012: £nil). All transactions were undertaken on a commercial arms length basis.

20 GRANTS

The following grants were awarded during the year:

	£
Lichfield and Hatherton Canals Restoration Trust	2,500
Pontypridd Canal Conservation Group	650
Stafford Riverway Link CIC	2,000
Swansea Canal Society	1,500
Wey and Arun Canal Trust	1,000
Wilts & Berks Canals Trust	1,690
	<u>9,340</u>