VILLAGE WATER LIMITED

(A company limited by guarantee)

Report and Financial Statements
for the Year Ended 31 December 2015

Registered charity numbers: 1117377 (England & Wales) & SCO44129 (Scotland)

Company number: 05970344

Sitali Nawa drawing water from the new water point in Tapo A Village, Mongu
Contents

Trustees' Report 3-8
Statement of Financial Activities 9
Balance sheet 10
Notes to the Financial Statements 11-16

Nyangbe washed her hands using a 'tippy tap in Malongo Village, Kalabo.
VILLAGE WATER LIMITED

Trustees’ Report for the year ending 31 December 2015

The Trustees of Village Water, Company Registration number 5970344, Charity Registration number 1117377 (England & Wales) and SCO4412 (Scotland) who are also the Directors and members for the purposes of Company Law, present their report and financial statements for the year ended 31 December 2015.

1 Reference and Administrative Information

Village Water is a charitable company limited by guarantee, incorporated on 18 October 2006. The company has no share capital. Each member’s guarantee is limited to £10.

Principal and Registered Office:
8a College Hill
Shrewsbury
Shropshire SY1 1LZ

Telephone: +44 (0) 1743 241563

Website: www.vilagewater.org
E-mail: info@vilagewater.org

Bankers
CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Trustees who served during this period and up to the date of signing these Financial Statements:
Mr David Dixon
Mr John Irwin (Chair)
Mr Hugh Woodhouse (Secretary)
Mrs Jane Thurnell-Read
Mr Guy Hudson
Mr Christopher Morley
Mr Richard Pither
Mrs Louise Cook
Mrs Beauty Kaluba (appointed 15 September 2015)
Mr Andrew Picken (appointed 8 September 2015)

Independent Auditor:
Harmer Slater Limited
Salatin House
19 Cedar Road
Sutton
Surrey SM2 5DA
2 Structure, governance and management

Legal status
Village Water was incorporated as a charitable company limited by guarantee and constituted by Memorandum and Articles of Association on 18 October 2006 and registered with the Charity Commission on 22 December 2006 and the Scottish Charity Regulator on 10 July 2013.

Organisational Structure
The Charity’s Board of Trustees comprises 10 individual members who meet four times a year and are responsible for the strategic direction and policy of the charity. The Charity’s director, who is not a trustee, attends all board meetings but has no voting rights.

The staff team comprises a full time director, who is not a trustee, responsible for ensuring that the charity delivers the services specified and that targets are met. The director manages one full time fundraiser, a full-time monitoring and evaluation officer and a part time (60%) financial officer. A small team of volunteers supports various functions within Village Water.

Village Water’s delivery partner in Zambia is Village Water Zambia, an independently registered charity. A partnership agreement between the two organisations defines the expectations and obligations of both parties.

Appointment of Trustees
Trustees are appointed as and when the board feels this is needed. Potential trustees are recommended by existing trustees and selection is by interview.

Any newly appointed trustees receive induction in Village Water’s strategic goals, method of operation and financial activities. Each trustee is given the opportunity to visit the projects in Zambia, to understand the work. These visits are part of a monitoring and evaluation activity or to accompany high value donors.

Risk Management
The trustees have overall responsibility for ensuring that the charity has an appropriate system of controls to identify financial and other risks and to take appropriate measures to manage them. At each quarterly meeting the board reviews the risk matrix.

Public Benefit
The trustees confirm that they have complied with the duty in the Charities’ Act 2011 to have due regard to public benefit guidance published by the Charity Commission.
3 Objectives

The Village Water Way improves health, education and economic development in rural Africa through the following core values:

Integration

Experience shows that hygiene education combined with community built sanitation facilities and the provision of safe water in rural communities as well as schools and health centres, delivers greater health benefits than solely providing safe water.

Partnership – Village Water builds long term and supportive relationships with local partners to create local solutions.

Our partners include:
- Village Water Zambia, an independently registered Zambian NGO (non-governmental organisation) our trusted implementation partner since 2007.
- The local communities that benefit.
- The council, health and education bodies that provide support to these communities.
- The local businesses trained within our programme, such as manual drilling teams and area pump minders.
- Our donors from the UK, as well as international donors who fund in-country.

Lasting Benefits – Village Water delivers measured results and a long term impact.

We train the local communities to manage their water pump and maintain good sanitation and hygiene practices.

Our Village Information Monitoring (VIM) system enables joint local government monitoring teams to gather vital data, a key factor in ensuring the lasting benefits:

- Improvements in health.
- Keeping children in school, particularly girls.
- Strengthening household economies – healthier people are more productive.
- Equality and independence for women and girls.
- Empowerment - giving people the confidence to seek out improvements in their lives.
- Development of local enterprises to cater for water and sanitation needs.

Transparency and Accountability – Village Water spends donors’ money in line with their wishes and local needs.

- We strive for value for money with no compromise on quality.
- We monitor, record, report and verify the impact of our work over the long term. This helps us and our partners to develop and improve.
Activities and achievements in 2015.

Our holistic approach of supporting hygiene education, basic sanitation and safe water in villages, schools and health centres remains the key focus of our work. In 2015 we supported activities in 48 villages and 44 schools, directly benefiting approximately 19,000 people.

We continue to invest in local structures to ensure that our partners (Village Water Zambia, District Councils, Ministries of Education and of Health, and the communities themselves) have the skills and resources they need to become self-sufficient.

Village Water Zambia, continues to grow in size and reputation. The team now numbers 21 including the director, provincial manager, accountant and 9 field officers who deliver and oversee the project activities on the ground. During 2015, Village Water Zambia also implemented projects in Zambia for Oxfam, Unicef and Konkola Copper Mines Plc.

Through our UK Aid match funded Well Good Appeal, and thanks to grants from Bank of America Merrill Lynch, we have been able to transform how we measure the impact of our work and how we gather the data, which will have a long lasting effect on the sustainability of our interventions.

This mobile-to-web monitoring system has had its challenges and we are committed to investing more in training and equipment. Village Water Zambia and four teams of local authority workers are very motivated and keen to see its success. Village Water will use the data gathered to demonstrate the impact and benefits of its integrated model of development.

4 Financial Review

Overview

2015 saw a slight decrease in our income of 4% on 2014. This was due to the interest in our 2014 UK Aid match fund appeal when a number of donors gave larger grants to benefit from the £1 for £1 matching.

For every £1 invested in fundraising we raised £16.55 and we spent 91 pence in every £1 on charitable activities, 6 pence on fundraising and 3 pence on governance.

The most significant funding came from DFID, The Big Give (comprising The Waterloo Foundation, Ben and Raj Funnell, Simon and Helen Savage and 42 on-line donors), Guernsey Overseas Aid Commission, and The Allan and Nesta Ferguson Charitable Trust.

We continue to work with Today’s Group and benefit from sales of its own brand ‘Blue Stone’ Spring Water. Cherwell On-Line supported us with donations of safety equipment and funding.

Our UK Aid match project, the Well Good Appeal, began in January 2015 and is on-track to achieve the planned activities and impacts. The project continues into early 2017.

Unrestricted income accounted for just over 50% of our total income, which allows us to meet co-funding requirements in conjunction with other matching grants from DFID and trusts.

Our charitable expenditure increased in 2015 by 19% on 2014.
Principal Funding Sources

a. Grant making Trusts and Foundations
Income from grant making trusts represents 24.6% of our income in 2015. 73% of this was unrestricted.

b. Corporate supporters
Corporate remained steady in 2015 representing 11.3% of our income, thanks to continued support from Bank of America Merrill Lynch, Today's Group, Cherwell On-Line and the Body Shop Foundation.

c. Individuals
Individual giving now represents 17.9% of our income and we will continue to invest our time in increasing the number of regular givers and major donors in the coming years to ensure good financial planning.

d. Rotary International of Great Britain and Ireland ("RIBI")
Our work is endorsed as one of RIBI's 'Opportunities to Serve' projects. Rotary Clubs across the UK raised over £16,312 for our work. Particular thanks go to the Rotary Clubs of Thurso, Colwyn Bay and Torquahun for their ongoing support. Warrington, Horwich, High Suffolk, Helston Lizard, Monifieth and a further 11 clubs supported our Big Give campaign. Shrewsbury Darwin supported us once again with their annual ceilidh.

e. Other support
And a final, huge thank you to our loyal band of 2015 office volunteers: Alan Martin, Chloe Newcombe-Rose, Dani Baur, Dan Lloyd, Daren Foley, Esther Robertson, Gary Selby, Kate Breeze, Lucy Bratton and Peter Hawkins, who take on so many different duties to help us move forward.

Once again we are indebted to our auditors, Harmer Slater Limited, for their continued support.

Reserves policy
It is the trustees' policy to ensure that we maintain a readily realisable reserve.

Investment policy
Given the level of funds held, the trustees do not feel it currently necessary to have an investment policy. This will be reviewed annually. Surplus funds are retained in a deposit account at the best rate possible whilst retaining instant access to the deposits as required.
5 Statement of Trustees' responsibilities

The Trustees (who are also directors of Village Water Limited 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 accounts for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial period. In preparing those financial statements, the Trustees are required to:
- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities' SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue on that basis.

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

Statement as to disclosure to auditors
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information (as defined by section 418 of the Companies Act 2006) and to establish that the Village Water's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and which they know the auditor is unaware.

Auditors
The auditors Harmer Slater Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small company provisions
The trustees have taken advantage of the small companies' exemptions provided by sections 414B and 415A of the Companies Act 2006 from the requirement to prepare a strategic report and in preparing the trustees' report on the grounds that the company is entitled to prepare its accounts for the year in accordance with the small companies regime.

Approved by the Trustees on 14 April 2016 and signed on their behalf by:

[Signature]

John Irwin – Chair of Trustees
## Statement of Financial Activities

(incorporating an Income and Expenditure account)  
for the year to 31 December 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted 2015</th>
<th>Restricted 2015</th>
<th>Total 2015</th>
<th>Total 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

### Incoming Resources

**Incoming resources from generated Funds:**

- **Donations**: 2  
  - Unrestricted: £261,439  
  - Restricted: £258,107  
  - Total: £519,546  
  - 2014: £542,835

### Investment Income:

- **Bank and Other Interest**:  
  - 2015: £150  
  - 2014: £107

### Total Incoming Resources

- **Total Unrestricted**: £261,589  
- **Total Restricted**: £258,107  
- **Total**: £519,696  
- **2014**: £542,942

### Resources Expended

- **Charitable activities Zambia**: 3  
  - Unrestricted: £16,673  
  - Restricted: £419,652  
  - Total: £436,325  
  - 2014: £360,743

- **Charitable Activities UK**:  
  - Project development & monitoring:  
    - Unrestricted: £25,610  
    - Restricted: £22,948  
    - Total: £48,558  
    - 2014: £51,787
  - New Country R&D:  
    - Unrestricted: £7,822  
    - Restricted: £7,822  
    - Total: £957
  - Fund raising expenses:  
    - Unrestricted: £31,399  
    - Restricted: £-  
    - Total: £31,399  
    - 2014: £33,407
  - Governance:  
    - Unrestricted: £14,944  
    - Restricted: £-  
    - Total: £14,944  
    - 2014: £14,294

### Total resources expended

- **Total Unrestricted**: £88,626  
- **Total Restricted**: £450,422  
- **Total**: £539,048  
- **2014**: £461,190

### Net income/(expenditure) for the year before transfers

- **Total**: £172,963  
- **2014**: £192,315  
- **2013**: £19,352  
- **2012**: £81,752

### Transfers between funds

- **Total**: £183,451  
- **2014**: £183,451  
- **2013**: £-  
- **2012**: £-

### Net income/(expenditure) for the year after transfers

- **Total**: (10,488)  
- **2014**: (8,864)  
- **2013**: (19,352)  
- **2012**: 81,752

### Balance at 1 January B/fwd

- **Total**: 105,884  
- **2014**: 32,301  
- **2013**: 138,185  
- **2012**: 56,433

### Closing reserves

- **Total**: 95,396  
- **2014**: 23,437  
- **2013**: 118,833  
- **2012**: 138,185

### Notes:

The notes on pages 11 to 16 form part of the accounts.
VILLAGE WATER LIMITED

Balance Sheet
(Company no. 05970344)
As at 31 December 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>8</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td>9</td>
</tr>
<tr>
<td>Cash at Bank</td>
<td>97,643</td>
</tr>
<tr>
<td>Cash at Hand</td>
<td>156</td>
</tr>
<tr>
<td><strong>Creditors: Amounts falling due within one year</strong></td>
<td>10</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td>11</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>11</td>
</tr>
<tr>
<td><strong>Funds</strong></td>
<td>12</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>23,437</td>
</tr>
<tr>
<td>Restricted</td>
<td></td>
</tr>
<tr>
<td>Village Water Zambia</td>
<td></td>
</tr>
<tr>
<td>New Country - Mozambique</td>
<td></td>
</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td>118,833</td>
</tr>
</tbody>
</table>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved and authorised for issue by the Board on 14 April 2016 and signed on its behalf by:

John Irwin – Chair of Trustees

The notes on pages 11 to 16 form part of the accounts

Report and financial statements for the year to 31 December 2015
1. Accounting policies

Going Concern
The financial statements are drawn up on the going concern basis which assumes Village Water will continue in operational existence for the foreseeable future. The Board has given due consideration to the working capital and cash flow requirements of Village Water. The Board consider Village Water’s current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months.

Basis of accounting
The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, with the applicable requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), the Charities Act 2011 and the Companies Act 2006, and under the historical cost accounting rules.

A summary of the significant accounting policies which have been consistently applied in the current and preceding period is set out below.

Exemption from preparing a cash flow statement
The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under Financial Reporting Standard for Smaller Entities (effective January 2015).

Incoming resources
All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended
Expenditure is included on an accruals basis inclusive of VAT, which is not recoverable. Expenditure directly attributable to specific activities has been allocated to those activities.

Costs of charitable activities Zambia represents direct expenditure incurred through grants to Village Water Zambia for its operational activities together with associated support costs to deliver safe water, sanitation and hygiene.

Fund raising expenses relate to the costs incurred by the charity in raising funds for the charitable work.

Governance costs are those associated with the governance arrangements relating to the strategic operations of the charity as opposed to those costs associated with general running of the charity, fundraising or charitable activity. These governance costs include external audit costs and trustee costs in governance of the organisation.
Accounting policies (continued)

Fund accounting
Unrestricted funds are donations and other incoming resources receivable for the object of the charity without further specified purpose and are available as general funds. Restricted funds are subjected to restrictions on their expenditure as imposed by the donor.

Fixed Assets
Tangible fixed assets are stated at historical cost less depreciation where appropriate. Cost comprises the purchase price together with all expenses directly incurred in bringing the asset to its location and condition ready for use.

Depreciation is charged by annual instalments estimated to write off their cost less any residual value over the expected useful lives which equate to the following rates:

- Furniture and Equipment: 33% per annum

Foreign exchange
Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the Statement of Financial Activities.

Pensions
The company operates a defined contribution pension scheme. Contributions are recognised in the Statement of Financial Activities in the period in which they become payable.

2. Donations

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted 2015</th>
<th>Restricted 2015</th>
<th>Total 2015</th>
<th>Total 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community</td>
<td>10,118</td>
<td>8,824</td>
<td>18,942</td>
<td>47,728</td>
</tr>
<tr>
<td>Corporate</td>
<td>45,622</td>
<td>12,900</td>
<td>58,522</td>
<td>88,092</td>
</tr>
<tr>
<td>Individuals</td>
<td>88,201</td>
<td>4,641</td>
<td>92,842</td>
<td>136,215</td>
</tr>
<tr>
<td>Statutory (GOAC&amp;DFID)</td>
<td>23,799</td>
<td>197,581</td>
<td>221,380</td>
<td>37,600</td>
</tr>
<tr>
<td>Trusts/Foundations</td>
<td>93,699</td>
<td>34,161</td>
<td>127,860</td>
<td>233,200</td>
</tr>
<tr>
<td>Total Donations</td>
<td>261,439</td>
<td>258,107</td>
<td>519,546</td>
<td>542,835</td>
</tr>
</tbody>
</table>
3. Charitable activities

Village Water raises donations in the UK to support water, sanitation and hygiene (WASH) activities in four districts in Zambia’s Western Province. The monies are remitted to Village Water Zambia, an independent Zambian NGO, which carries out the fieldwork programme.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remittances to Zambia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supporting partners to deliver water, sanitation &amp; hygiene</td>
<td>212,057</td>
<td>306,562</td>
</tr>
<tr>
<td>Lessons for Life</td>
<td>33,106</td>
<td>11,685</td>
</tr>
<tr>
<td>DFID</td>
<td>149,370</td>
<td>3,988</td>
</tr>
<tr>
<td></td>
<td>394,533</td>
<td>322,235</td>
</tr>
<tr>
<td>Contributions to Direct Expenditure in Zambia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation</td>
<td>402</td>
<td>11,690</td>
</tr>
<tr>
<td>Data Input of Water points</td>
<td>1,987</td>
<td>3,185</td>
</tr>
<tr>
<td></td>
<td>2,389</td>
<td>14,875</td>
</tr>
<tr>
<td>Direct Expenditure in UK on work in Zambia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity Development</td>
<td>2,659</td>
<td>6,999</td>
</tr>
<tr>
<td>IT, Equipment and Materials</td>
<td>1,921</td>
<td>1,910</td>
</tr>
<tr>
<td>DFID</td>
<td>18,150</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>22,730</td>
<td>8,909</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>419,652</td>
<td>346,019</td>
</tr>
</tbody>
</table>

The agreed fieldwork programme covers the period from 1 April 2015 to 31 March 2016 and funds remitted by Village Water.

4. Employees and trustees

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>96,395</td>
<td>80,066</td>
</tr>
<tr>
<td>Social security costs</td>
<td>6,938</td>
<td>5,395</td>
</tr>
<tr>
<td>Pension costs</td>
<td>5,425</td>
<td>5,168</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>108,758</td>
<td>90,629</td>
</tr>
</tbody>
</table>

No employee received emoluments above £60,000. The average number of employees employed during the year calculated as full time equivalents was 3.52 (2014: 2.90).

No trustee received remuneration in connection with their position. Trustee monitoring and evaluation travel costs to Zambia amounting to £765 (2014: £972) were incurred.

Two trustees were paid expenses of £373 (2014: 1 trustee £265) for travelling to UK Trustees’ meetings of which £129 was reimbursed as a donation to Village Water.
VILLAGE WATER LIMITED

Notes to the financial statements (continued)
for the year to 31 December 2015

4. Employees and trustees - continued

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £5,425 (2014: £5,168). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

5. Transfers

In accordance with a standing Board resolution to support expenditure in Zambia with unrestricted funds and maintain a positive balance on restricted funds, unrestricted funds of £183,451 (2014: £188,279) were transferred to restricted funds.

6. Net incoming resources before transfers

This is stated after charging:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>296</td>
<td>297</td>
</tr>
<tr>
<td>Auditor’s remuneration – the audit of charity’s annual account</td>
<td>1,680</td>
<td>1,680</td>
</tr>
</tbody>
</table>

7. Taxation and charitable status

The Trust is a charitable company within the definition of Section 467 Corporation Tax Act 2010 and is therefore able to take advantage of the exemption given by Section 486 of that Act. Accordingly, there is no Corporation Tax charge in these accounts.

8. Fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Furniture</th>
<th>Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2015</td>
<td></td>
<td>3,233</td>
</tr>
<tr>
<td>Additions in year</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>At 31 December 2015</td>
<td></td>
<td>3,233</td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2015</td>
<td>2,937</td>
<td></td>
</tr>
<tr>
<td>Additions in year</td>
<td>296</td>
<td></td>
</tr>
<tr>
<td>At 31 December 2015</td>
<td>3,233</td>
<td></td>
</tr>
</tbody>
</table>

8. Fixed assets – continued

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net book value at 31 December 2015</td>
<td>-</td>
</tr>
<tr>
<td>Net book value at 31 December 2014</td>
<td>296</td>
</tr>
</tbody>
</table>
9. **Debtors**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gift Aid Recoverable</td>
<td>431</td>
<td>3,966</td>
</tr>
<tr>
<td>Pledged Donations</td>
<td>23,168</td>
<td>6,437</td>
</tr>
<tr>
<td>Other Debtors</td>
<td>-</td>
<td>72</td>
</tr>
<tr>
<td>Prepayments</td>
<td>1,479</td>
<td>2,289</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>25,078</td>
<td>12,764</td>
</tr>
</tbody>
</table>

The pledged donations at 31 December 2015 satisfied the recognition criteria stipulated by Charities SORP (FRSSE).

10. **Creditors: amounts falling due within one year**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other taxes and social security</td>
<td>2,349</td>
<td>1,882</td>
</tr>
<tr>
<td>Other Creditors</td>
<td>1,695</td>
<td>1,785</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,044</td>
<td>3,667</td>
</tr>
</tbody>
</table>

11. **Analysis of net assets**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Restricted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Funds £</td>
<td>VW Zambia £</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Debtors</td>
<td>25,037</td>
<td>41</td>
</tr>
<tr>
<td>Cash at Bank</td>
<td>74,403</td>
<td>23,396</td>
</tr>
<tr>
<td>Creditors</td>
<td>(4,044)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>95,396</td>
<td>23,437</td>
</tr>
</tbody>
</table>
12. **Movements in funds**

<table>
<thead>
<tr>
<th></th>
<th>At 1 Jan 2015</th>
<th>Incoming Resources</th>
<th>Outgoing Resources</th>
<th>At 31 Dec 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>296</td>
<td>-</td>
<td>(296)</td>
<td>-</td>
</tr>
<tr>
<td>Debtors</td>
<td>12,474</td>
<td>25,037</td>
<td>(12,474)</td>
<td>25,037</td>
</tr>
<tr>
<td>Cash at Bank</td>
<td>96,781</td>
<td>79,801</td>
<td>(102,179)</td>
<td>74,403</td>
</tr>
<tr>
<td>Creditors</td>
<td>(3,667)</td>
<td>(4,044)</td>
<td>3,667</td>
<td>(4,044)</td>
</tr>
<tr>
<td><strong>Total Unrestricted Funds</strong></td>
<td>105,884</td>
<td>100,794</td>
<td>(111,282)</td>
<td>95,396</td>
</tr>
<tr>
<td><strong>Restricted</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Village Water Zambia</td>
<td>25,696</td>
<td>226,145</td>
<td>(242,264)</td>
<td>9,577</td>
</tr>
<tr>
<td>Lessons for Life</td>
<td>-</td>
<td>33,106</td>
<td>(33,106)</td>
<td>-</td>
</tr>
<tr>
<td>DFID</td>
<td>-</td>
<td>181,380</td>
<td>(167,520)</td>
<td>13,860</td>
</tr>
<tr>
<td>Mozambique</td>
<td>6,605</td>
<td>1,613</td>
<td>(8,218)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Restricted Funds</strong></td>
<td>32,301</td>
<td>442,244</td>
<td>(451,108)</td>
<td>23,437</td>
</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td>138,185</td>
<td>543,038</td>
<td>(562,390)</td>
<td>118,833</td>
</tr>
</tbody>
</table>

13. **Company limited by guarantee**

The company is a charitable company limited by guarantee and consequently does not have share capital. Each of the 10 (2014: 8) members of the charity is liable to contribute £10 towards the assets of the company in the event of liquidation.

14. **Related party transactions**

The charity works in partnership with Village Water Zambia, an independent Zambian Non-Governmental Organisation. The charity and Village Water Zambia share a common purpose. Village Water Zambia receives funding for its charitable objectives from the charity and from other donors.

During the year the charity remitted £419,652 (2014: £346,019) to Village Water Zambia.
VILLAGE WATER LIMITED

Report of the Independent Auditors
to the Members of Village Water Limited

We have audited the financial statements of Village Water Limited for the year ended 31 December 2015 which comprise the statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable to law and Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report, including the opinions, has been prepared for and only for the Charitable Company’s members and Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies’ Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees’ Responsibilities Statement set out on page 8, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that they give a true and fair view.

We have been appointed as auditor under the Companies Act 2006 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements 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 charitable company’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’ 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 financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the Charitable Company’s affairs as at 31 December 2015 and of its 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 applicable to smaller entities; and
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by 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.

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 requires us to report to you if, in our opinion:

- The charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company’s financial statements are not in agreement with the accounting records or 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.
- The trustees were not entitled to prepare the financial statements in accordance with the small companies’ regime and take advantage of the small companies’ exemption in preparing the Trustees’ Annual Report.

Ransford Agyei-Boamah  
**Senior Statutory Auditor**

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for and on behalf of:  
HARMER SLATER LIMITED  
Chartered Accountants and Statutory Auditors  
14 April 2016  

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Salatin House  
19 Cedar Road  
Sutton, Surrey  
SM2 5DA

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