

Charity Registration No. 1169228

Company Registration No. 10377607 (England and Wales)

CHARITY GLOBAL (UK) LIMITED

CHARITY: WATER

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2017

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Luke Beauchamp Valerie Donati Alexander Gordon Scott Harrison Samuel Lawson Johnston Onyeije Nwokorie Michael Wilkerson	(Appointed 15 September 2016) (Appointed 15 September 2016) (Appointed 15 September 2016) (Appointed 15 September 2016) (Appointed 17 October 2016) (Appointed 15 September 2016) (Appointed 15 September 2016)
Secretary	Christopher Barton	
Charity number	1169228	
Company number	10377607	
Registered office	16 Old Bailey London EC4M 7EG	
Auditor	Citroen Wells Chartered Accountants Devonshire House 1 Devonshire Street London W1W 5DR	
Bankers	Triodos Bank Deanery Road Bristol BS1 5AS	
Solicitors	Withers LLP 16 Old Bailey London EC4M 7EG	

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
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CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE PERIOD ENDED 31 DECEMBER 2017

The trustees present their report and financial statements for the period ended 31 December 2017.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

charity: water is a non-profit organisation. Our vision is to reinvent charity, and our mission is to bring clean and safe drinking water to people in developing countries. 100% of all public donations fund water projects, and we prove our projects using photos and GPS coordinates on Google Maps.

We operate as a grant-making charity. Grants relieve poverty and suffering through the improvement of water supplies and sanitation services, and the advancement of education in relation to water, sanitation and safe hygiene practices.

The Objects of charity: water are such charitable purposes for the public benefit in any part of the world as the trustees in their absolute discretion determine, including but without limitation:

- A. The relief of poverty, hunger and related suffering, in particular through the improvement of water supplies and sanitation;
- B. The promotion of health and the relief of sickness and need resulting from preventative disease; and
- C. The advancement of education.

Public benefit statement

The trustees confirm that we have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities.

Achievements and performance

charity: water made two grants to Charity Global, Inc. in 2017, both of which only funded water and sanitation projects. Neither grant funded internal administrative costs.

In particular, we used:

- 1. £62,000 to fund drilled wells and hand dug wells in Ethiopia and Malawi; and
- 2. £223,554 to fund solutions like drilled wells, tap stands and water filters in seven countries:
 - A. Cambodia;
 - B. Ethiopia;
 - C. India;
 - D. Malawi;
 - E. Niger;
 - F. Rwanda; and
 - G. Uganda.

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

Financial review

The Statement of Financial Activities set out on page 12 of the financial statements shows how the charity's incoming resources have been expended in the period ended 31 December 2017.

Total incoming resources amount to £1,109,452, which comprise donations of £476,886, donated services of £632,490 and bank interest received of £76.

Resources expended on charitable activities amounted to £926,473, of which £285,554 was defrayed on making grants and £189,924 on governance costs (which includes the costs borne by the parent in setting up the UK charity).

The surplus for the period was £182,979.

The Statement of Financial position set out on page 13 of the financial statements shows the financial position of the Charity at 31 December 2017. Current assets are represented by Cash at bank and in hand of £236,866 and pledges receivable of £176,352.

Total Assets less current liabilities amounted to £182,980, which is represented by the closing balances on the unrestricted funds, share capital and restricted funds of £132,904, £1 and £50,075, respectively.

charity: water is committed to using its resources in pursuit of its charitable objects. It is also committed to maintaining a level of reserves that is prudent to meet on-going liabilities, sufficient to ensure that all commitments can be met and to protect the long-term future of its operations. We depend on private donors, foundations and sponsors to cover everything from staff salaries to basic office systems to office rent and supplies. These donors are some of our most dedicated: their investment fuels our long-term mission, our ability to scale as an organisation and our mission to continue using 100% of public donations for water projects. At 31 December 2017, the charitable company had free reserves (as represented by net current assets less provisions) amounting to £132,904. The trustees are satisfied that the current level of reserves are appropriate to its circumstances.

Grant-making policy

1. Public benefit requirement

The trustees will seek to satisfy themselves that each grant is made in furtherance of a charitable purpose that offers an identifiable benefit to the public or a significant section of the public, and that private benefit that may arise to any person or company as a result of a grant is incidental.

The trustees have considered, and will regularly refer to, the Charity Commission's guidance on public benefit to ensure that the public benefit requirement is met.

The trustees do not anticipate any possibility for private benefit arising from their grant making, but shall be mindful of conflicts of interest or loyalty.

2. Objectives and strategy

The Charity has been established to undertake the specific purposes relating to improvement of water supplies and sanitation, with flexibility for the trustees to support any charitable purpose for the public benefit if they choose as set out in the Objects.

In seeking to further the Objects as effectively as possible, the trustees envisage that the Charity will work closely with Charity Global, Inc. to identify exclusively charitable projects capable of being supported for the public benefit, including to identify what projects are in particular need of funding and where the need is greatest.

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

Despite the Charity's intended close working relationship with Charity Global, Inc., the trustees are keenly aware of the importance of the Charity being operated independently of Charity Global, Inc. The trustees understand and acknowledge that:

- A. under no circumstances may the trustees fetter their absolute discretion in all decision-making; and
- B. all grants will be approved by the trustees, exercising their independent thought and bringing their personal skills and expertise to decision-making.

The trustees may take non-binding recommendations from donors as to charitable projects to be supported but shall not accept a gift that is restricted from a legal perspective without carefully considering whether the Charity can, and should, make a grant to support such restricted purposes.

3. Due Diligence

The trustees are responsible for ensuring that every grant is a proper application of the Charity's assets and that it is in the best interests of the Charity to make the grant. They retain ultimate responsibility for the decision to award grants. Accordingly, the trustees will approve all grants collectively in compliance with the Charity's Articles of Association (whether in a meeting or in writing).

As there are no particular due diligence steps that the trustees are required to take (except in the case of payments abroad which are addressed below), it will be their policy to make whatever enquiries allow them to reasonably take a view that:

- A. making the grant is in the best interests of the Charity; and
- B. the grant will be used for purposes that fall within the Charity's Objects.

To assist their assessment of suitability, the trustees may seek some or all of the following information from proposed grantees:

- A. a description of the purpose and activities for which the grant will be used;
- B. a financial plan setting out how the grant will be used, including who will benefit, the timescale, and any other funding options the applicant may have;
- C. if the applicant is an organisation:
 - i. its charity registration number, where applicable, or other documents establishing its status; and
 - ii. a copy of the organisation's most recent financial report and accounts, where available.

The trustees may require further information when considering any application. A visit or interview may also be arranged in order to gain a greater feel for the proposed use of the grant.

4. The trustees' criteria

There are many considerations for the trustees to take into account when evaluating whether a proposed grant is a suitable one for the Charity to make. The trustees will consider, as appropriate in the circumstances:

- A. The amount of the proposed grant – is the grant size appropriate bearing in mind the Charity's other proposals or obligations? Is the grant appropriate to the proposed grantee organisation's need?
- B. The proposed use of the grant – is it clear to the trustees what the grant will be used for and that it will be exclusively used for an eligible charitable purpose?
- C. The nature and status of the grantee – is the grantee known to the trustees, for example as a 'household name' (eg Charity Global, Inc., trading as charity: water), or registered with any local regulators of non-profits, including the Charity Commission for England and Wales or similar regulator?

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FOR THE PERIOD ENDED 31 DECEMBER 2017

D. Is the proposed grantee financially sound? - The trustees should be confident that the grant will not be paid to an insolvent organisation;

E. Other risk factors – is the grantee based in a high-risk jurisdiction for such issues as corruption or terrorism?

F. Trustee involvement - Is the grant proposed to be made to any organisation in which one of the Charity's trustees is involved? If yes, how?

G. Suitability of the project – is the project proposed an effective way of furthering the objects of the Charity? What is the intended impact of the project?

The trustees are not bound to consider every point listed above for each and every grant.

5. Grant conditions

The trustees may attach conditions to grants made by the Charity. These will vary depending on the individual circumstances and the recipient, with the intention that they are sufficient in each case to satisfy the trustees that the funds will be applied for the purposes for which they were given.

Where a grant is made to a UK registered charity, the trustees will:

A. identify the project to be funded by the grant, or that the grant is expendable for the grantee's general charitable purposes; and

B. require acknowledgement of receipt of the grant.

Otherwise, the trustees will impose conditions on grants that are appropriate to the circumstances of the grant (with reference to section 'Payments abroad' below, if relevant), including for example:

A. a requirement that the grant be used for a specified project that is charitable under the law of England and Wales;

B. a requirement that reimbursement is made if funds are misused or the grant conditions are not complied with;

C. specific conditions to be met before the funding is made;

D. ongoing performance conditions, if the grant is to be made in instalments;

E. conditions as to attribution or naming;

F. a timeframe for the use of the grant;

G. an accounting and reporting requirement;

H. permission for the trustees to inspect any documents or premises should they wish to examine how funds are being used; and

I. a requirement that surplus funds be returned.

CHARITY GLOBAL (UK) LIMITED
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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

6. Payments abroad

In advancing the Charity's purposes, the trustees are likely to make payments outside the UK, particularly to Charity Global, Inc. in USA, and understand that every grant that is made to an organisation established outside the UK will be a payment to an overseas body for the purposes of UK taxation.

The trustees of the Charity will therefore approach each grant overseas so that they may be comfortable that the Charity can '*clearly demonstrate to the Commissioners for HMRC that it has taken steps that the Commissioners consider are reasonable in the circumstances to ensure that the payment is applied for charitable purposes under the law of England and Wales*'. The consequence of failing to take such steps could be loss of charitable tax relief in respect of income or gains equal to the amount of the grant in question, so the trustees have identified compliance as a priority.

The trustees will impose written conditions on the grantees of all overseas grants that are appropriate to the circumstances of the grant.

The trustees will aim, in relation to each grant, to have adequate records demonstrating the Charity's knowledge of the overseas grantee, its previous relations with the overseas grantee and the past history of the overseas grantee. These records will additionally include the following, as appropriate:

- A. the organisations to which the grant was paid;
- B. the purpose for which it was given;
- C. what assurances were given to the Charity that the grant would be properly applied;
- D. what steps the trustees took to ensure that payment would in fact be properly applied; and
- E. what follow up action the trustees took to confirm payments were properly applied.

The trustees will consider imposing more restrictive (and onerous) conditions on grantees on a risk and proportionality basis in particular circumstances.

The trustees have formulated this policy with the requirements of UK tax law on 'non-charitable' expenditure in mind, and having considered the Charity Commission's publication *Charities: how to manage risks when working internationally* and the HMRC *Guidance on Payments to overseas bodies*.

The trustees may also need to consider requirements of the local jurisdiction into which the grant is being made since some jurisdictions restrict foreign funding, or require it to be channelled to particular government-approved organisations.

7. Record Keeping

The trustees will arrange for adequate records of all grants to be maintained. Such records will include any:

- A. information and documentation gathered as part of a due diligence exercise;
- B. trustees' resolutions approving grants;
- C. grant agreements;
- D. reports received from grantees; and
- E. other correspondence with grantees.

8. Review

This policy will be reviewed annually by the trustees, including a review of the Charity's position under the Common Reporting Standard.

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

Structure, governance and management

charity: water is a company limited by shares with company registration number 10377607 and we are governed by our Memorandum and Articles of Association. We are also a registered charity in accordance with the provisions of the Charities Act of 2011 with charity registration number 1169228.

The trustees, who are also the directors for the purpose of company law, and who served during the period were:

Luke Beauchamp	(Appointed 15 September 2016)
Valerie Donati	(Appointed 15 September 2016)
Alexander Gordon	(Appointed 15 September 2016)
Scott Harrison	(Appointed 15 September 2016)
Samuel Lawson Johnston	(Appointed 17 October 2016)
Onyeije Nwokorie	(Appointed 15 September 2016)
Michael Wilkerson	(Appointed 15 September 2016)
Daniel Kinder	(Appointed 15 September 2016 and resigned 13 October 2016)

All trustees are expected to identify their training needs and to take measures to ensure that these needs are met.

The Board may from time to time, appoint any person as a member of the Board either to fill a vacancy or by way of addition to the Board, subject to the provisions of the Articles of Association. Any member so appointed shall retain office only until the next Annual General Meeting, but shall be eligible for re-election. At the Annual General Meeting in every year, all members of the Board retire by rotation but are eligible for re-election.

Our day to day activities were administered by Christoph Gorder, charity: water's Chief Global Water Officer, through 20 February 2018 who reported to the UK Board of trustees. As of 21 February 2018, the charity's day to day activities are administered by Hannah Bellamy, Managing Director, who reports to the UK Board of trustees.

Charity Global, Inc., a US based charity, is the sole shareholder of Charity Global (UK) Limited.

Plans for the Future

charity: water has a vision to reinvent charity, and a mission to bring clean, safe drinking water to every single person on the planet. As a grant making organisation, we raise money for various types of projects, from wells, to rainwater harvestings, to piped water systems, and to BioSand Filters. We work with charity: water in New York to find local international partners to build sustainable water projects in developing countries.

All the while, we are also taking an entirely new approach to charity. 100% of public funds raised go directly to the field. When someone makes a donation to build water projects, we don't take a single penny for overheads. Generous private donors fund our operating costs. We call this group of generous investors, The Well.

In 2017 we hired a Managing Director and Head of Key Relationships. They started working for the charity in early 2018. With this new structure in place, we plan to grow. We hope to fund clean and safe drinking water for nearly 30,000 people in 2018.

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

Risk Statement

We have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Principal risks and uncertainties

We recognise that there are risks inherent in delivering our charitable objectives, and we as trustees are responsible to identify, assess and manage risk and uncertainties. We regularly assess risk and uncertainties, and review during our trustee meetings. Risks identified and mitigated include receiving fewer public donations to fund water projects and/or private donations to fund operations, damage to our reputation, and possible data protection outcomes. Throughout 2017, we reviewed risks to our organisation and assessed their possible impact. We confirm that with our strong organisational policies and processes in place, and our regular evaluation and documentation of possible risks and uncertainties, we have identified and mitigated any possible risks to the organisation in 2017 and for the foreseeable future. We will continue to identify and review any risks to the organisation and review in our trustee meetings to ensure all risks and uncertainties are properly mitigated.

Statement of trustees' responsibilities

The trustees, who are also the directors of Charity Global (UK) Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)(CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.



Luke Beauchamp (FULL NAME: PATRICK LUKE BEAUCHAMP)

Trustee

Dated: 12 JUNE 2018

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CHARITY GLOBAL (UK) LIMITED

Opinion

We have audited the financial statements of Charity Global (UK) Limited (the 'charitable company') for the period ended 31 December 2017 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, for the period 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.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF CHARITY GLOBAL (UK) LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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


Auditor's responsibilities for the audit of the financial statements

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

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF CHARITY GLOBAL (UK) LIMITED

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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



Marc Levy FCA (Senior Statutory Auditor)
for and on behalf of Citroen Wells

13 June 2018

Chartered Accountants
Statutory Auditor

Devonshire House
1 Devonshire Street
London
W1W 5DR

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017
<u>Income from:</u>				
Donations	2	773,822	335,554	1,109,376
Investments	3	1	75	76
Total income		773,823	335,629	1,109,452
<u>Expenditure on:</u>				
Charitable activities	4	640,919	285,554	926,473
Net income for the period/ Net movement in funds		132,904	50,075	182,979
Fund balances at 15 September 2016		-	-	-
Fund balances at 31 December 2017		132,904	50,075	182,979

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Notes	2017 £	£
Current assets			
Other receivables	11	176,352	
Cash at bank and in hand		236,866	
		<u>413,218</u>	
Current liabilities	12	(230,238)	
Net current assets			<u>182,980</u>
 The funds of the Charity:			
Called up share capital	13		1
 Income funds			
Restricted funds	14	50,075	
Unrestricted funds		132,904	
		<u>182,979</u>	
			<u>182,980</u>

The financial statements were approved by the trustees on 12 June 2018



Luke Beauchamp (FULL NAME, PATRICK LUKE BEAUCHAMP)
Trustee

Company Registration No. 10377607

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2017

	Notes	2017 £	£
Cash flows from operating activities			
Cash generated from operations	18		236,789
Investing activities			
Interest received		76	
Net cash generated from investing activities		<u>76</u>	76
Financing activities			
Proceeds from issue of shares		1	
Net cash generated from financing activities		<u>1</u>	1
Net increase in cash and cash equivalents			<u>236,866</u>
Cash and cash equivalents at beginning of period			-
Cash and cash equivalents at end of period			<u><u>236,866</u></u>

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies

Charity information

Charity Global (UK) Limited is a private company limited by shares incorporated in England and Wales. Charity Global (UK) Limited is also a registered charity in accordance with the Charities Act 2011, with charity registration number 1169228. The registered office is 16 Old Bailey, London, EC4M 7EG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donated services are recognised in income at their fair value when their economic benefit is probable and it can be measured reliably. Fair value is determined on the basis of the value of the gift to the charitable company. For example the amount the charitable company would be willing to pay in the open market for such services. A corresponding amount is recognised in expenditure.

Investment income is recognised on a receivable basis.

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies **(Continued)**

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis.

Expenditure on charitable activities comprises expenses incurred in pursuance of the charitable company's principal activities.

VAT is charged against the expenditure heading for which it was incurred.

Governance costs, which are included in expenditure on charitable activities, are those incurred in the governance of the charitable company and its assets and are primarily associated with constitutional and statutory requirements.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.7 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.8 Taxation

No liability arises as the charitable company's activities are exempt from corporation tax.

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

1 Accounting policies **(Continued)**

1.9 Reporting period

The period covered by these financial statements is the first period of account for the charitable company. The period runs from the date of incorporation, 15 September 2016, to 31 December 2017.

2 Donations

	Unrestricted funds	Restricted funds	Total 2017
	£	£	£
Donations and gifts	141,332	335,554	476,886
Donated services	632,490	-	632,490
	<u>773,822</u>	<u>335,554</u>	<u>1,109,376</u>

Donated services

Donated services consist of operating costs incurred by Charity Global, Inc., who incurred these on behalf of the charitable company as they had not yet set up their own operations in the period under review.

3 Investments

	Unrestricted funds	Restricted funds	Total 2017
	£	£	£
Interest receivable	1	75	76
	<u>1</u>	<u>75</u>	<u>76</u>

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

4 Charitable activities

In the period ended 31 December 2017, the following expenditure was incurred:

	2017 £
Wages and salaries	315,173
Advertising, events and marketing	33,447
Insurance	13,341
Travelling	43,794
Recruitment fees	39,640
Printing, postage and stationery	251
Other expenses	2,435
Computer running costs	1,085
Service provider costs	1,829
	<u>450,995</u>
Grant funding of activities (see note 5)	285,554
Governance costs (see note 6)	189,924
	<u><u>926,473</u></u>

5 Grants payable

	2017 £
Grants to institutions: Charity Global, Inc.	<u><u>285,554</u></u>

6 Governance costs

	2017 £
Audit fees	6,600
Legal and professional fees	182,898
Accountancy fees	426
	<u><u>189,924</u></u>

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charitable company's auditor and associates: **2017**
£

Audit of the charitable company's annual accounts **6,600**

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the period.

9 Employees

There were no employees during the period.

Wages and salaries of £315,173 (see note 4) relate to employees of the parent charity, the costs of which formed part of donated services (see note 2).

10 Financial instruments **2017**
£

Carrying amount of financial assets
 Debt instruments measured at amortised cost **176,352**

Carrying amount of financial liabilities
 Measured at amortised cost **230,238**

11 Other receivables **2017**
£

Amounts falling due within one year:

Pledges receivable **131,520**

Amounts falling due after more than one year: **2017**
£

Pledges receivable **44,832**

Total debtors **176,352**

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

12 Current liabilities

	2017
	£
Grants payable	223,554
Accruals and deferred income	6,684
	<u>230,238</u>

13 Called up share capital

	2017
	£
Issued and fully paid	
1 Ordinary share of £1	1
	<u>1</u>

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Balance at 31 December 2017
	Incoming resources	Resources expended	
	£	£	£
Water projects	335,629	(285,554)	50,075
	<u>335,629</u>	<u>(285,554)</u>	<u>50,075</u>

100% of the money raised through charity: water's public fundraising campaigns is restricted to directly fund water projects in developing countries.

15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Share capital	Total
	£	£	£	£
Fund balances at 31 December 2017 are represented by:				
Current assets/(liabilities)	132,904	50,075	1	182,980
	<u>132,904</u>	<u>50,075</u>	<u>1</u>	<u>182,980</u>

CHARITY GLOBAL (UK) LIMITED
CHARITY: WATER
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2017

16 Related party transactions

During the period under review, the charitable company had the following transactions with Charity Global, Inc., a US based charity and the 100% parent entity of Charity Global (UK) Limited:

Services donated by Charity Global, Inc.: £632,490

Grants payable in the period to Charity Global, Inc.: £285,554 (of which £223,554 was outstanding at the period end).

17 Ultimate controlling party

The charitable company is 100% owned by Charity Global, Inc., a charitable company incorporated in New York, USA. It is a non-profit organisation bringing clean and safe drinking water to people in developing nations. Charity Global, Inc.'s place of business is 40 Worth Street, Suite 330, New York, NY 10013. The public can obtain the consolidated accounts that include the subsidiary charity's accounts from charity: water's website (<https://www.charitywater.org/>).

18 Cash generated from operations	2017
	£
Surplus for the period	182,979
Adjustments for:	
Investment income recognised in statement of financial activities	(76)
Movements in working capital:	
(Increase) in other receivables	(176,352)
Increase in trade and other payables	230,238
Cash generated from operations	236,789