Our impact

WaterAid Annual Report
and Accounts **2025–26**

WaterAid

WaterAid/Ernest Randriarimalala

Chrisencia with her daughter, Zambia. September 2025.

WaterAid/Tracy Keza

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Cover: Limbiraza washes his face with clean water, Anosy, Madagascar. June 2025.

/wateraid @wateraid /wateraid @wateraid

Change is flowing

In 2025–26 millions of people around the world began to thrive, thanks to the undeniable power of clean water, decent toilets and good hygiene. At a time of global instability you helped people build the lives they want and be better prepared for whatever the future holds. Thank you.

From installing taps and toilets to improving entire systems, our work this year has meant many more people, from Bangladesh to Zambia, now have clean water where they live, study and work. Engineers, builders and designers have worked alongside advocates and campaigners to make the case for action impossible to ignore.

Investing in futures

We were disappointed that several governments chose to reduce their aid budgets this year, including here in the UK. But it has been heartening to see some governments are still prioritising water and proving to the world that this investment in people's futures pays dividends.

We have also witnessed enlightened philanthropists, foundations and financial organisations supporting our strategic programmes around the world. These partnerships are more important than ever, making our work both in communities and at a national, regional and global scale possible.

Across countries and continents, we have come together through a shared understanding of the fundamental importance of water to save and change lives.

Taking water forward

We are partners of Water Forward, an initiative led by the World Bank Group, that aims to reach 1 billion people with improved water security. This long-awaited initiative is very exciting and a reason for optimism. That's because it brings together political will and big finance – two vital components in strengthening the water sector.

We will focus on supporting countries to take advantage of this opportunity to manage and influence these investments well, delivering sustainable, resilient and inclusive water services.

Progress in a changing climate

This year I (Tim) visited WaterAid's work in Guié in Burkina Faso, where I was reminded how our changing climate is impacting people's access to clean water. I was alarmed to hear that each year, for the last five years, the water table has dropped by a metre.

In this challenging context we are innovating to ensure people continue to be able to have the water they need. Our team is using sand dams, walls of stones and lines of trees across riverbeds to hold back water that falls in the rainy season. This will allow the water to soak into the ground and recharge the aquifers, helping to ensure a year-round source of clean water from boreholes.

Later in the year, it was very encouraging that at COP30 in Brazil parties agreed on water and sanitation indicators for the Global Goal on Adaptation. These indicators recognise the role of water, sanitation and hygiene in health, equity and survival. They will make it possible to track the support high-income countries provide to low- and middle-income countries, including Burkina Faso.

WaterAid/Basile Ouedraogo

Tim being shown WaterAid's work in Guié in Burkina Faso. November 2025.

Making a bigger difference together

In September 2025 it was announced that the WaterAid federation had gained a new member – WaterAid Netherlands. This is a new chapter for both WaterAid and Simavi, a Dutch organisation we have collaborated with over many years. WaterAid Netherlands builds on more than a century of experience in water, sanitation and equal opportunities for women and girls.

As a global organisation working to make change happen in an uncertain world, we have continued to look for ways to be even more efficient, taking advantage of new opportunities.

TeamWater, our global campaign to spotlight the scale of the global water crisis and mobilise action (see page 31), was a great example of this innovative approach. Led by WaterAid America, fronted by YouTubers MrBeast and Mark Rober, and supported by so many of you here in the UK, the month-long campaign raised US$40 million to provide clean water to two million people around the world. What a team!

Some of the most effective solutions are the simplest. In March 2026 we launched our Time to Deliver campaign, raising awareness of the shocking fact that every two seconds a woman gives birth in a healthcare facility without clean water, decent toilets and good hygiene, putting the lives of mothers and babies at risk. In December world leaders will meet at the UN Water Conference and we are calling on them to lead the delivery of their water, sanitation and hygiene plans, so that commitments made translate into real lasting change.

Thank you

We are extremely appreciative of our Royal Patron HM King Charles III, whose support in bringing people together towards our shared goals has led to many fruitful opportunities throughout the year.

Our gratitude and warm wishes go to the trustees who stood down after years of service – Manuel Alvarinho, Heidi Mottram CBE and Mala Rao CBE. Your contributions have been invaluable.

And our heartfelt thanks to all our supporters – individuals and community groups, companies and foundations – who have continued to help make our work possible. Your generosity is more important than ever in these difficult times for the charity sector. A special thank you to those who have chosen to leave a gift in their will. Your legacy will be people changing their lives with clean water all over the world.

Now, with your support, the change continues...

WaterAid/Katie McCraw

Tim Wainwright

WaterAid

Andy Green CBE

Tim Wainwright
Chief Executive

Andy Green CBE
Chair of Trustees

Our year in numbers

Pho Moch [left] and Nim Thip [right] holding their newborn baby at Svay Chouk healthcare facility, Cambodia. February 2026.

WaterAid/Noriko Hayashi

Our wider impact in 2025-26

2,413 communities supported (1,741*)

100 healthcare facilities supported (385*)

435 schools supported (405*)

242 sanitation services in schools and healthcare facilities installed (235*)

681 water points installed (515*)

196 handwashing services installed (286*)

47 water systems installed (30*)

*2024–25

Delivering services directly

People we reached directly in 2025–26

People directly reached in	Water	%+/-*	Sanitation	%+/-*	Handwashing services	%+/-*	Hygiene behaviour change	%+/-*
Households and communities	556,986	+26	186,914	+58	199,167	-17	944,250	+39
Healthcare facilities	206,219	+9	223,196	+63	197,114	+24	238,236	+64
Schools	184,304	+71	87,834	+14	83,109	+6	159,029	-30
Public spaces	3,727	-63	23,116	+213	60,975	+256	-	-
Through mass media	-	-	-	-	-	-	4,830,404	+155

*Compared with last year

People the WaterAid federation has reached directly since 1981

30.7m people with **clean water**

33m people with **good hygiene**

29.9m people with **decent toilets**

Federation members are listed on p48. All other figures refer to UK managed activities.

Our partnerships include...

Working with partners and alliances is at the heart of everything we do. The achievement of SDG 6 will only be possible through collective action and leveraging the strengths of different actors.

58 local, national and international NGOs (55*)

9 academic, training and research partners (8*)

14 networks and alliances (19*)

57 local/district government partners (49*)

19 national governments/ ministries (25*)

50 water and/or sanitation service providers (52*)

*2024–25

Aim 1

Achieve universal, sustainable and safe services and behaviours in focused geographic areas to influence wider change

Local examples of universal, sustainable and safe services inform and influence people in power to make bigger changes. In districts and towns, we have been working with partners to deliver and improve services for households, schools and healthcare facilities. We have partnered with public, private and non-governmental organisations to strengthen the systems that keep services working and that reinforce hygiene habits. And we have enhanced the voices and representation of service users, especially women and girls.

Rabeya [right] teaching her sister-in-law Aliza [left, with her son Hedayet, 5] how to use a menstrual health app, Bangladesh. January 2026.

WaterAid/Aritra Ankan Mitra

WaterAid/Frehiwot Gebrewold

Women from Sirima village walking for water, Berbere district, Ethiopia. August 2025.

Budgeting for municipal sanitation in Bangladesh

In small municipalities in Bangladesh sanitation is largely treated as a one-off construction activity rather than an ongoing public service. There is often no dedicated municipal financing for operations and maintenance, no long-term planning for faecal sludge management, and limited recognition of the resulting health, environmental and social costs. In Sakhipur municipality, our team in Bangladesh aimed to address this by shifting sanitation from project-based delivery to a municipality owned, budgeted and service-oriented system, aligned with citywide inclusive sanitation principles. We provided technical support to municipal leadership and strengthened understanding of sanitation as a public service, building skills in resource planning and supporting evidence-based budgeting. Over the years, the municipal authorities have increased budget allocations for sanitation- and faecal sludge management-related activities, and in the current fiscal year the allocations have been notably increased. There are allocations for sanitation expansion, waste management and broader water, sanitation and hygiene (WASH) activities. This will mean better access to decent public toilets, reduced exposure to unmanaged waste, and more reliable services over time. Building on this, we have engaged five more municipalities to shift from sanitation as a time-bound project to a permanent, publicly financed service for all, particularly low-income and marginalised communities.

Strengthening service providers in Ethiopia

In North Mecha woreda in Ethiopia, despite the efforts of local governments and public utilities to provide WASH services, many people's needs were unmet, especially in urban areas. This was partly due to a lack of skills in water safety planning and financial and asset management and poor customer service and complaint handling. Public utility staff were demotivated because they were unable to respond to complaints from customers. Our team in Ethiopia carried out a two-year project to address the capacity gaps of five

Ayat [middle], 13, with her school friends, Berbere district, Ethiopia. May 2025.

utilities in the area. Needs-based, participatory and focused interventions included the co-development of technical, financial and people plans and training staff on customer complaints handling, financial and asset management, and water safety planning. To improve the financial health of the water utilities, we supported them to introduce systems encouraging customers to pay their bills on time. Quarterly review and reflections sessions have enabled staff to assess progress, identify problems and share lessons. At community level safe water supply coverage has increased from 28% to 35%. Customer complaints have reduced as issues are resolved more quickly. And staff morale has improved as a result. This is an example of our systems strengthening work.

Equipping women to empower themselves in Nigeria

In Nigeria there are few opportunities for women to engage in WASH as a livelihood, especially in technical and income-generating roles. The male-dominated nature of the sector affects both gender equality and the sustainability of services, leaving women and girls to carry the greatest burden when taps and toilets fail. To address this, our team in Nigeria supported women to train as local area mechanics, equipping them with technical skills in WASH facility maintenance, linking them with mentors, and setting up cohort groups for collaboration and peer support. This has led to more functional WASH facilities in communities and quicker access to repairs for households, schools and health centres. In Bauchi state, we identified the urgent need to improve the safety, dignity and public perception of workers who empty pits and increase women's participation in service provision. WaterAid and the Bauchi State Environmental Protection Agency (BASEPA) trained existing pit emptiers on standard operating procedures, professionalising the service. When over 20 women expressed interest, WaterAid and BASEPA provided training, equipment and institutional backing. This has resulted in better sanitation services for all and new livelihood opportunities for women.

Janvier Mukankusi, community health worker and farmer, Bugesera district, Rwanda. August 2025.

Collaborating for bigger change in Rwanda

In Rwanda expanding equitable and resilient WASH services requires strong coordination and sustained investment to keep pace with growing demand, particularly in rapidly developing districts such as Bugesera. Building on more than a decade of engagement with district leadership, WaterAid Rwanda strengthened collaboration with Bugesera district and the national Water and Sanitation Corporation (WASAC) through a landmark tripartite agreement for joint planning and delivery of WASH services. Through this partnership, WaterAid Rwanda and Bugesera district established a co-financing mechanism that accelerated access to safe water for more than 46,000 people. Bugesera district contributed 30% of the project costs, while WaterAid provided the remaining 70%, and WASAC offered technical support throughout implementation. WaterAid Rwanda, Bugesera district and WASAC also collaborated to develop a costed district WASH investment plan, which provided a framework for prioritising investments, coordinating stakeholders and mobilising resources for communities that don't have the services they need. After seeing the value of a coordinated planning approach in Bugesera, other rural districts across Rwanda have developed their own costed district WASH investment plans, laying the groundwork for nationwide service improvements. This model demonstrates how partnerships between local government, utilities and development partners can mobilise resources, strengthen ownership and accelerate progress towards universal WASH services.

Ishimwe collecting water with his mother, Janviere, at the new water kiosk, Bugesera district, Rwanda. August 2025.

Prioritise water, sanitation and hygiene across the health sector to improve public health

Aim 2

Universal, sustainable and safe water, sanitation and hygiene services and behaviours are essential foundations for human health. We have been working to embed these services and behaviours into health policies and programmes. This includes improving the availability and quality of inclusive and sustainable facilities and making it possible for people to practise good hygiene. Our priority has been to meet the requirements of women and girls, who make up the majority of health service users and health workers.

Strengthening local ownership of WASH in healthcare facilities in Malawi

In the rural district of Ntchisi in Malawi, WaterAid had already supported 12 of the total 15 healthcare facilities with a comprehensive WASH package, including four with Phase 1 funding from the Wimbledon Foundation. With Phase 2 funding from the Foundation, we launched a four-year project in September 2023 to achieve 100% WASH coverage in healthcare facilities in Ntchisi, by targeting the three remaining, Chinkhande, Sambakunsi and Chandawe, together serving a catchment of 33,170 people. Health Centre Management Committees were revitalised to lead WASH engagement at the community level, and new operations and maintenance committees were established at the facility level. We also partnered with local government to ensure services were integrated into district health systems for sustainability. Healthcare workers were trained in infection prevention and control (IPC) and WASH management, and crucial supplies were provided. IPC and WASH improvement plans were developed for the three facilities. Positive changes have already been observed. The health centres now have new reliable water supply systems, gender-segregated and disability-friendly toilets, and waste management infrastructure. These have improved the environment for healthcare workers and restored safety and dignity for patients. While childbirth services have not yet started due to ongoing essential preparations, we are providing support to accelerate these to benefit communities as soon as possible.

Grace Phiri, staying at the guardian shelter at Chinguluwe Heathcare Facility while she awaits labour, Ntchisi district, Malawi. January 2026.

Improving planning and budget allocation for WASH in healthcare facilities in Uganda

According to the 2019 WHO/UNICEF Joint Monitoring Programme report, only 61% of healthcare facilities in Uganda have at least basic water, 12% have basic sanitation and 43% have basic waste management. Our team in Uganda, working with partners, collaborated to address this. We worked to significantly increase the budget for WASH in healthcare facilities, specifically in Biira Health Center III, which has a catchment population of 11,341 people. Together we supported 66 healthcare facilities, across two districts, on planning and budgeting, waste management and establishing WASH improvement plans, and met with facility managers to track progress. After the intervention, the budget for WASH services increased significantly. At Biira Health Center III this made possible extended water connections to the laboratory, outpatient department and maternity wards, better results against performance indicators for services, and improved environmental and general cleanliness. The facility has now been ranked as the best healthcare facility in the Adjumani district.

Stewart Kahumuza, hand pump mechanic, servicing the Kijenga village hand pump, Masindi district, Uganda. March 2025.

From behaviour change to systems change in Pakistan

In Pakistan evidence shows that good hygiene can substantially reduce disease incidence. However, hygiene behaviour change remains underprioritised within public health and WASH programming. Historically, behaviour change interventions have not been sufficiently integrated into government systems, including in an ongoing nutrition focus programme, limiting sustainability and scale. Our team in Pakistan, under a two-year contract with the Punjab Rural Municipal Services Company (PRMSC), successfully implemented a Behaviour Change and Capacity Development pilot project targeting 132,000 households across 200 villages. The intervention applied WaterAid's behaviour-centred design approach to institutionalise behaviour change methodologies within government systems and generate evidence for scalable and sustainable models. An emotionally resonant intervention package was designed and tested, focusing on key hygiene behaviours including the use of safe water, clean toilets, handwashing with soap, food hygiene, household cleaning, exclusive breastfeeding, vaccine promotion, and solid and animal waste management. A rigorously designed behaviour change package was implemented by trained social mobilisers. Through continuous collaboration, joint planning and capacity building with government counterparts – particularly PRMSC social and behaviour change teams – this approach has been embedded into government programming and demonstrated good results. Importantly, the outcomes have already influenced decisions, with the government committing to replicate the same approach and intervention package in an additional 1,800 villages. This reflects a shift from a partner-supported pilot to a government-owned and -led model.

WaterAid/Khaula Jamil

Fifteen-year-old student Sughra and her friends use the handwashing area at their school, which WaterAid rehabilitated, Punjab, Pakistan. December 2025.

WaterAid/Ram Saran Tamang

Melina with her youngest daughter, Jesica, 2, Bardiya, Nepal. March 2026.

Integrating hygiene into routine immunisation in Nepal

Diarrhoeal diseases and childhood undernutrition continue to contribute significantly to child mortality in Nepal. These health challenges are closely linked to poor hygiene practices, dirty water and inadequate sanitation. In 2014 our team in Nepal partnered with the Ministry of Health and Population to integrate hygiene promotion into the routine immunisation programme, creating a proof of pilot concept using a behaviour-centred design approach. The programme directly engaged the primary guardians of children under 15 months, health workers, female community health volunteers, local governments, and health managers responsible for routine immunisation to promote good hygiene behaviours. At the community level, positive social norms around hygiene were strengthened, encouraging households to adopt good hygiene behaviours.

This led to the approach going nation-wide in 2020, reaching 530,000 guardians of children each year. The nationwide evaluation of the programme in 2025 demonstrated substantial and sustained improvements in hygiene knowledge and practices, health workers' capacity, and immunisation coverage. Crucially, national promotion of good hygiene behaviours is owned and led by Nepal's Ministry of Health. Around 90% of programme financing is now contributed through government resources, demonstrating a successful transition from donor-supported implementation to government-led delivery. The programme has both improved hygiene behaviours and contributed to stronger immunisation outcomes (improved reach and reduced drop out) at an additional cost per child of just US$2.67. The Government of Nepal is now preparing a 'Transition to Sustainability' strategy, to make hygiene integration into routine immunisation sustainable in the long term.

Strengthen the resilience of water, sanitation and hygiene to climate change

Aim 3

WaterAid increases people's climate resilience by making sure they have water, sanitation and hygiene, while ensuring our interventions can withstand and quickly recover from extreme weather events. We have been supporting communities, institutions and service providers to assess climate vulnerabilities and develop solutions to improve their water security and adapt. At the same time, we have been advocating for water, sanitation and hygiene and climate policy to be integrated within climate adaptation planning and decision-making processes and for urgent investment in climate-resilient services.

Motivating community-led change through local leadership in Niger

Through community-led total sanitation (CLTS) in Niger's Illéla and Bagaroua communes, several villages had made significant progress towards achieving open defecation free status. However, Illaga Guidan Daouda was lagging behind. Despite CLTS implementation, the village still had no household toilets. With climate change resulting in more frequent and severe flooding in the area, the population, particularly women, children and older people, were increasingly exposed to the health risks associated with open defecation. The main obstacle was the village leadership's resistance to embrace the approach because of a belief that the construction of toilets should be subsidised by the project. This influenced the community's views and hindered collective action. Our team in Niger understood that it was necessary to engage local leadership and exert positive social pressure. An inter-village meeting was organised in Illaga with ten villages in a similar position and the authorities. The message was clear: "No compound without latrines." This sparked a reaction within the community. In just one week all compounds began digging pits and households collectively committed to building toilets. In less than a month more than 80 toilets were built, making people safer and more resilient to climate change.

Integrating WASH into the climate agenda in Madagascar

For many years, WASH was missing from Madagascar's national climate policy framework. This included throughout the second National Determined Contribution (NDC2) period (2022–2025). WASH services and their climate resilience were not treated as strategic priorities. Coordination between the Ministry of Water, Sanitation and Hygiene (MEAH) and the Ministry of Environment and Sustainable Development (MEDD) was limited. Consequently, climate risks to WASH services were insufficiently addressed, communities remained exposed to climate shocks, and WASH interventions struggled to access climate finance. At the outset of the NDC3 revision process, prior to 2025, our team in Madagascar aimed to integrate WASH as a priority and strengthen collaboration between MEAH and MEDD. During 2025, we supported dialogue, bringing WASH and climate stakeholders together. We provided technical assistance to both ministries to grow understanding of climate-resilient WASH and its place in national adaptation priorities. At the same time, we built the capacity of the WASH sector to engage in climate policy. Crucially, WaterAid participated in government-led processes, providing financial and technical support. Although the NDC3

WaterAid/Ernest Randriarimalala

Noussiah [middle], 14, and other students warming up during their sport class, Bongolava region, Madagascar. March 2026.

Angelah Fanomezantsoa, new tap stand owner, Amboasary, Madagascar. June 2025.

WaterAid/Ernest Randriarimalala

Vola with her son Limbiraza, Anosy, Madagascar. June 2025.

WaterAid/Ernest Randriarimalala

process is ongoing in 2026, notable shifts have taken place – the WASH sector has been engaged for the first time; collaboration has improved between MEAH and MEDD; and WASH is part of early conversations on future climate finance allocations.

Improving resilience to climate impacts in Uganda

Communities in Masindi district in Uganda face longer dry spells, changing rainfall patterns and growing pressure on their water resources. Karongo Primary School shared one borehole with a nearby clinic and a community of over 1,800 people. This in-demand water source was unreliable, costly to maintain and delivered dirty water. Pupils, especially the 436 girls enrolled, missed school frequently due to illness and menstrual hygiene challenges. Our team in Uganda aimed to find a sustainable solution that would make the community more resilient to the impacts of climate change. We supplied and installed a riser pipe upgrade which made the water source safer and more reliable. We formed and trained a local water committee and hand pump mechanics association for operations and maintenance responsibilities. And we helped the school embed hygiene education and menstrual health and hygiene. Now, pupils can learn, girls can manage their periods with confidence and teachers can focus on their work. In the wider community a new payment model for water is making it possible to reinvest in fencing the borehole, renovating teacher housing and sustaining a paid caretaker. The result is a stronger WASH system that can better withstand future climate- and water-related challenges.

WaterAid/James Kiyimba

David Mbabazi, a teacher at Kitonozi Primary School, Masindi district, Uganda. March 2025.

Putting young people's voices front and centre at COP30

The absence of WASH in global climate policy has put the services communities depend on under increased pressure and left them vulnerable to extreme weather. Climate adaptation debates have focused on infrastructure, agriculture or the environment, despite the central role of water. The Global Goal on Adaptation (GGA) was a rare opportunity to fix this. WaterAid arrived at the 2025 United Nations Climate Change Conference (COP30) aiming to push WASH into the centre of global climate policy. With young people, especially in the Global South, facing long-term consequences of climate change, we decided to treat young leaders as strategic partners. In the run up to COP, they shaped our advocacy, grounding it in lived experience. The Water Can't Wait campaign, gaining 36,000 signatures, was built around their voices. At COP, their role deepened – they engaged in GGA negotiations, bringing urgency and human context to technical discussions; they participated in meetings with ministers and negotiating blocs; and they featured in global media coverage. By the end of COP30, nine out of ten proposed water and sanitation indicators were adopted within the GGA framework. This paves the way for greater investment in climate-resilient WASH.

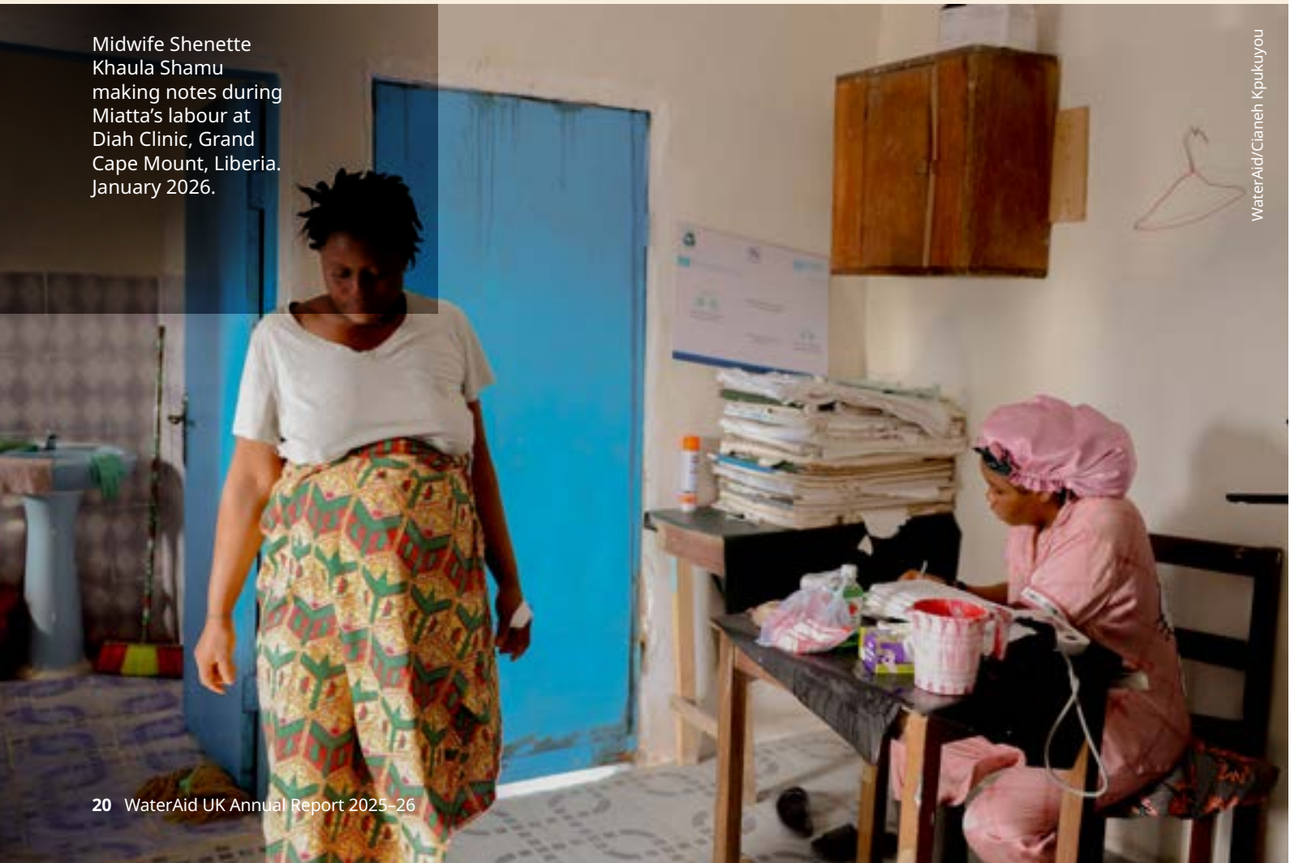
WaterAid

Young water and climate leaders hold placards saying 'Water can't wait' inside the COP30 venue. November 2025.

Aim 4

Increase the quantity and quality of financing

Inadequate financing is a major barrier to progress on water, sanitation and hygiene. Substantially increasing the quantity and quality of financing is essential to ensure universal, sustainable and safe services. We have been working to secure higher and more efficient government spending, including more affordable services for low-income users. We have also been advocating for increases in development and climate finance to close SDG 6 (clean water and sanitation) financing gaps, and for resources to be allocated in a more transparent, efficient and equitable way.



Midwife Shenette Khaula Shamu making notes during Miatta's labour at Diah Clinic, Grand Cape Mount, Liberia. January 2026.

WaterAid/Cianeh Kpukuyou

WaterAid/Cianeh Kpukuyou

Midwife Shenette Khaula Shamu at Diah Clinic, Grand Cape Mount, Liberia. January 2026.

Increasing national budget for WASH in Liberia

Inadequate WASH investment in Liberia costs an estimated US$231 million annually (5.3% of GDP) and WASH financing remains dependent on donors. Women and girls and people with disabilities are disproportionately affected, bearing the burden of water collection and facing threats to their safety and dignity due to poor sanitation. In 2025 our team in Liberia worked with United Youth for Peace, Education, Transparency and Development in Liberia (UYPETDL), a civil society organisation, to take a citizen-led WASH budget advocacy approach. We coached UYPETDL on analysing WASH budgets, tracking expenditures, identifying funding gaps and translating complex data into citizen-friendly advocacy messages. We facilitated community lawmakers' field visits to Todee district, allowing legislators to witness firsthand the realities of unsafe drinking water. And we amplified citizen voices through radio, social media and print campaigns, increasing public pressure during the budget cycle.
In September WASH advocates, including WaterAid, were invited by the Plenary of the House of Representatives to present and justify a request for a significantly increased national allocation to WASH. Lawmakers recognised and publicly acknowledged the urgency of this investment. Together we secured US$4.93 million in the 2026 national budget, which will now support girls' menstrual health and improve access to clean water in targeted rural communities. Importantly, the WASH budget has been disaggregated, increasing transparency and accountability.

Transforming WASH in healthcare financing in Malawi

In Malawi broken water systems, dilapidated toilets and a lack of hygiene services in healthcare facilities have posed serious risks to public health, especially for women and frontline healthcare workers. Despite the government's commitment to health-system strengthening, investment in WASH within healthcare facilities has remained low. Our team in Malawi partnered with civil society organisations, parliamentary committees

WaterAid/Sophie Harris-Taylor

Margaret holds her newborn baby at Chinguluwe Healthcare Facility, Ntchisi district, Malawi. January 2026.

and government ministries to advocate for increased investment in WASH in healthcare facilities. A budget analysis was carried out to identify gaps in WASH financing. To address these, we facilitated dialogue between district councils and national ministries to push for dedicated operations and maintenance funding at the facility level. As School Improvement Grants had proven effective in directing funds to schools, we proposed a similar Health Centre Fund with a dedicated budget line for maintaining WASH infrastructure. For the 2025–26 fiscal year, the national WASH budget rose by 39%, from MK204.4 billion (US$117 million) in 2024–25 to MK285.4 billion (US$164 million), the largest single-year increase in recent history. Government investment in the WASH sector grew by 115% and donor support increased by 33%. This injection of funds provides an opportunity to prioritise WASH in healthcare facilities, ensuring clean, functional and safe spaces for patients and workers.

WaterAid/Sophie Harris-Taylor

Midwife Dorothy Mgemezulu checking Evelyn's newborn baby at a healthcare facility in Central region, Malawi. January 2026.

Gloria holds her newborn baby after giving birth at a healthcare facility with no clean water or decent toilets, Central region, Malawi. January 2026.

WaterAid/Sophie Harris-Taylor

A 425% budget increase that may mean nothing in Ghana

Numbers in a national budget can look like progress. Ghana's 2026 Budget Statement included a 425% year-on-year increase for WASH, taking allocations from GH¢0.47 billion in 2025 to 3.16 billion in 2026. After years of decline, the budget is presented as a new "Acceleration Phase". Our team in Ghana took a closer look at the data to see if this was really the case. Under the Civil Society Leadership in Mobilising for Better WASH project, we supported the Coalition of NGOs in Water and Sanitation to carry out a budget tracking analysis and uncovered a more complex picture. The Government of Ghana's resources increased from GH¢410 million in 2025 to GH¢810 million in 2026. However, in 2026 the amount allocated to WASH included 83% donor support, which is worrying in a context of declining Official Development Assistance for WASH globally. The 2026 WASH provision of GH¢3.16 billion represents just 0.15% of GDP, well below the 0.5% eThekwini Declaration benchmark that African governments signed up to in 2008. Against a target of constructing 30,000 household toilets and 500 public sanitation facilities, GH¢31.9 million in domestic sanitation financing is not an acceleration but a continuation of structural neglect. Hygiene promotion and behaviour change communication receive virtually no dedicated budget allocation. Reconciling the data against government agencies' returns revealed an implementation crisis. Increasing allocations without fixing the systems that convert them into disbursements achieves little for communities.

WaterAid/Apag Studios

Mmapika Adombila, mother of five. One child was born at the WaterAid-supported maternal health ward in Adaboya, Bongo district, Ghana. July 2025.

Resilient Water Accelerator

The Resilient Water Accelerator (RWA) is a subsidiary of WaterAid designed to catalyse investment for water security in climate-vulnerable markets around the world. Following UK Government funding to WaterAid 2024, groundbreaking work continues through the activities in the subsidiary, which commenced during this year. In Lagos, Nigeria, the approach has contributed to political commitment to improving water security, with the state government increasing its water sector budget by 30% and committing funds to priority drinking water projects. This includes significant progress on the US$450 million Igbonla water supply project, a proposed private investment that aims to deliver a new water supply for over four million people. Thanks to months of engagement and technical support, RWA is the only non-government entity granted a seat at the negotiating table for this major investment. Meanwhile, we are working to unlock US$150 million in investment in commercially viable water- and energy-efficiency technologies within the wet-processing segment of Bangladesh's garment sector. Its water demand is projected to increase by 360% by 2040, creating severe water stress on the country's groundwater supply. RWA is undertaking a techno-economic assessment across 25 brand-nominated factories to identify technologies and process improvements that could reduce both groundwater withdrawals and operational costs, making these investments financeable while contributing to improved water security.

Our achievements against our plans and looking forwards to 2026-27

Aim 1: Achieve universal, sustainable and safe services in focused geographic areas to influence wider change

In our 2024–25 report we said:

We will increase access to clean water, decent toilets and good hygiene in selected focus districts across the countries where we work. Collaborating with local government, we will develop costed plans and use these to advocate for increased budgets allocated to WASH. These regional projects will serve as service models that can be replicated nationally for an even bigger impact. We will use our advocacy and general influencing at national and subnational levels for increased allocation and effective use of financing for WASH. This way, we will endeavour to achieve our Aim 4 outcome in relevant Aim 1 focus countries.

Globally, we aim to influence the agendas of the UN Water Envoy and UN Water Conference. And we will work to build the political will of national governments to prioritise their WASH commitments as part of the Sanitation and Water for All (SWA) Heads of States Initiative (HOSI).

A portrait of Julieta de Jesus Pereira, Hatuquessi, Timor-Leste. March 2026.

Our achievements against our plans

Acting as a systems enabler, adviser, convener and advocate, WaterAid supported the modelling and expansion of WASH services in Bangladesh, Ethiopia, Liberia, Malawi, Rwanda and Tanzania and strengthened costed planning in Bangladesh, Liberia, Madagascar and Tanzania. We contributed to increased WASH budgets and financing (Bangladesh, Tanzania) and improved sector coordination (Ethiopia, Malawi, Tanzania).

We focused on helping to deliver and shape HOSI to secure high-level political support for the prioritisation of WASH. We engaged in the preparatory process for the UN Water Conference, ensuring support for strong civil society participation, and refined our policy positions, influenced the thematic dialogues and contributed to building political momentum, especially for Water Forward. We influenced Africa Water Vision 2063 to make WASH a bigger priority and secured political recognition of gender-responsive climate-resilient WASH as a critical driver of Africa's development and resilience agenda.

Looking forwards to 2026–27

WaterAid will continue to focus on increasing access to sustainable WASH services and strengthening government-led systems at subnational level. Our in-country teams will improve WASH access through climate-resilient facilities and professionalised water supply management models in communities, schools and healthcare facilities. Government-led WASH systems will be strengthened, with increases in budgets and investments, and the development of master plans, coordination platforms and monitoring frameworks. Successful approaches will be scaled beyond pilot areas. We will leverage the political and financial commitment Water Forward provides to secure high-quality compacts on systems strengthening from the UN Water Conference.

Robert John, and his two grandsons at a water point in Ntcheu, Malawi. July 2025.

Focus countries: Bangladesh, Ethiopia, Ghana, Liberia, Madagascar, Malawi, Nepal, Nigeria, Rwanda, Tanzania

Aim 2: Prioritise water, sanitation and hygiene across the health sector to improve public health

In our 2024–25 report we said:

We will increase access to water, sanitation and hygiene services in healthcare facilities in countries where we work through modelling effective approaches and ensuring clear road maps are built into National Health Plans. We aim to influence national standards for WASH in healthcare facilities and advocate for increased funding in healthcare budgets.

Our achievements against our plans

Acting as a technical adviser, trainer, convener and advocate, WaterAid strengthened WASH services in healthcare facilities and improved WASH access (particularly in Ghana, Liberia, Mali,

Mozambique, Uganda and Zambia). Hygiene behaviour change was scaled through outreach, campaigns and training in Ghana, Liberia, Mozambique, Pakistan and Zambia, and WASH and hygiene behaviour change were integrated into reproductive, maternal, newborn, child and adolescent health, immunisation and nutrition in Malawi and Uganda. WASH indicators were integrated into monitoring systems (Zambia), and costed WASH in healthcare facilities planning and assessments advanced (Ghana, Mali, Nepal, Zambia).

Looking forwards to 2026–27

WaterAid will focus on improving WASH and infection prevention and control in healthcare facilities and integrating hygiene behaviour change into national health systems. In-country teams will improve WASH access in healthcare facilities and continue to integrate WASH and hygiene behaviour change into national health programmes, policies and budgets for large-scale government-led implementation. We will seek to secure government commitment and financing for national WASH in healthcare facilities roadmaps and implementation plans.

Focus countries: Ghana, Liberia, Malawi, Mali, Mozambique, Nepal, Pakistan, Rwanda, Tanzania, Uganda, Zambia

Global Advocacy Priority – Health

In our 2024–25 report we said:

To improve water, sanitation and hygiene services in healthcare facilities we will advance implementation of the G20 Call to Action on Strengthening Drinking Water, Sanitation and Hygiene Services (linked to the UN resolution on WASH in healthcare facilities) through work with the South Africa Government, the G20 Presidency and key G20 Member States. We will drive national government implementation of the UN resolution on WASH in Healthcare Facilities and delivery of the G20 Call to Action by working in-country to support national campaigns.

Our achievements against our plans

Our advocacy delivered strong progress on improving WASH in healthcare facilities. We successfully influenced the G20 Call to Action to task donor governments with implementing WASH and secured the inclusion of WASH in the UN Pandemic Accord, reinforcing global political commitment. We also strengthened partnerships with WHO and UNICEF through implementation of the UN resolution on WASH in Healthcare Facilities. Through the Time to Deliver campaign and the *Born without water* report, we worked with women to secure strong political and public action to meet their demands for WASH in healthcare facilities. National advocacy also advanced implementation in Liberia and Zambia, with Zambia integrating WASH in healthcare facilities into its World Bank Health Compact.

Looking forwards to 2026–27

Two OECD Development Assistance Committee governments and multilateral development banks (the African Development Bank or the World Bank) will make measurable commitments to improve access to WASH in healthcare facilities (serving women's health) by 2030. Two national governments in countries where we work will announce that their costed national roadmaps for WASH in healthcare facilities. (serving women's health) are being financed and implemented through increased national funding and external investment from donors and global entities including the World Bank.

Aim 3: Strengthen the resilience of water, sanitation and hygiene to climate change

In our 2024–25 report we said:

We will work with governments to strengthen planning for water, sanitation and hygiene in their National Adaptation Plans (NAPs) and Nationally Determined Contributions (NDCs). We will develop and share climate-resilient WASH models and work towards increasing climate financing for WASH, crucial for community resilience.

Our achievements against our plans

Acting as a facilitator, convener, technical partner and catalyst, WaterAid modelled climate-resilient WASH services (particularly in Bangladesh, Burkina Faso, Ethiopia and Madagascar) and advanced climate adaptation planning (Bangladesh, Ghana, Uganda). WASH was integrated into climate policy or finance processes (Burkina Faso, Mozambique, Pakistan) and we supported climate finance or budgeting improvements in Bangladesh, Ghana and Pakistan. Evidence, capacity and coordination were strengthened through research, technical guidelines, training, and stakeholder platforms (Ethiopia, Nigeria, Pakistan, Uganda).

Gazetee Maho, primary school teacher, talks to a child near her home in southern Madagascar. June 2025.

WaterAid/Ernest Randriarimalala

WaterAid/Tracy Keza

Portrait of Chrisencia Sichala, washing her hands outside her home, Zambia. September 2025.

Looking forwards to 2026–27

WaterAid will focus on integrating WASH into climate and water resource management policies and scaling climate-resilient WASH models. In-country teams will develop local adaptation plans and coordination platforms and support the inclusion of climate-resilient WASH within NAPs.

Climate-resilient WASH infrastructure will be expanded at scale in Bangladesh, Burkina Faso, Ethiopia, Mozambique and Uganda, and we will aim to increase domestic climate finance through advocacy and resource mobilisation.

Focus countries: Bangladesh, Burkina Faso, Ethiopia, Ghana, Madagascar, Mozambique, Nigeria, Pakistan, Uganda

Global Advocacy Priority – Climate

In our 2024–25 report we said:

To improve the resilience of water, sanitation and hygiene services in the face of climate change, we will work with countries to integrate high-quality WASH planning and commitments into their NAPs and NDCs. We will launch a set of comprehensive principles and a framework for a Just Water Partnership at COP30 and seek the endorsement of stakeholders. And we will launch the first modules of the Corporate WASH Roadmap and advocate for their uptake by businesses.

Our achievements against our plans

Our advocacy strengthened the integration of WASH into global and national climate action. We supported several countries to incorporate gender-responsive WASH into their NAPs and NDCs, with implementation now underway. Globally, our advocacy contributed to the adoption of nine of ten proposed WASH indicators within the Global Goal on Adaptation framework. At COP30 we launched the Just

Solar panels being installed along with three new 10,000l water towers that will provide clean water to Sylvia Masebo community, Lusaka, Zambia. July 2025.

Water Partnership principles with broad stakeholder support and secured their inclusion in the COP Action Agenda through the 2028 Global Stocktake. Our youth-led Water Can't Wait campaign, which generated more than 36,000 public actions, built momentum for stronger climate commitments on WASH and brought young water and climate leaders to COP to underline our shared policy calls.

We launched segments of our Corporate WASH Roadmap and convened a multistakeholder advisory group, including critical corporate partners, to help socialise the roadmap. This included the release of reporting aligned with European Union legislation on reporting and due diligence, a report helping companies to assess their greatest material risks on WASH, and guidance on WASH in agricultural contexts.

Looking forwards to 2026–27

A global commitment to action on water–climate adaptation will be supported by at least three national governments in countries where we work and one donor government or multilateral institution. These will be actively championed by the public in five key countries. Climate-resilient WASH will be integrated and prioritised in two to three NAPs, the next round of national climate action plans will be delivered, and climate finance for WASH will be increased by one donor government or multilateral institution. Three business coalitions will adopt a WASH stewardship framework that integrates climate-resilient WASH into their programmes.

Aim 4: Increase the quantity and quality of financing

In our 2024–25 report we said:

Across countries where we work, we will attempt to bring about a meaningful increase in allocations to water, sanitation and hygiene budgets, and we will drive the use of budget tracking tools and accountability mechanisms. Through our influencing, we will advocate for 'good quality finance' for WASH. This will involve identifying priorities and promoting them at global and national levels, and identifying and cultivating new channels for financing (public and/or private).

Our achievements against our plans

WaterAid generated financing evidence, including through WASH Accounts work (Burkina Faso, Liberia, Zambia), strengthened budget accountability through tracking reports and tools (Liberia, Zambia), supported increased WASH financing (Burkina Faso, Liberia, Zambia), and progressed domestic finance and investment planning (Burkina Faso, Liberia, Zambia).

Our advocacy strengthened the global financing agenda for water by increasing support for targeted official development assistance, advancing discussions on domestic resource mobilisation and equitable financing, and securing recognition of the Just Water Partnerships in preparation for the UN Water Conference. We also played a strategic role in shaping the launch of the World Bank's Water Forward initiative, building partnerships with the World Bank and other sector leaders for its development and implementation.

Looking forwards to 2026–27

We will prioritise increasing government WASH budgets while strengthening transparency and accountability in WASH financing. In-country teams will drive this through resource mobilisation, improved budget tracking and targeted advocacy. WASH Accounts will be scaled as core accountability mechanisms for planning and investment decisions. At the global level, this will be reinforced through Just Water Partnerships commitments and enhanced transparency through tools such as the World Bank's Water Finance Dashboard.

We will advocate for OECD DAC donors and multilateral organisations to protect levels of official development assistance for WASH. We will continue influencing the World Bank's Water Forward initiative and the UN Water Conference 2026, which aim to achieve universal access to sustainable water and sanitation, to ensure the outcomes of both processes unlock quality funding from multilateral development banks, private and domestic resources, and prioritise equitable access and sustainability.

Focus countries: Bangladesh, Burkina Faso, Ethiopia, Ghana, Liberia, Malawi, Nepal, Pakistan, Rwanda, Zambia

Want to help achieve our goals for the year ahead? Find out how you can support us at wateraid.org/uk/get-involved

Our wonderful supporters

WaterAid supporters have made everything in this report possible. Your generosity has supported people across the world to stay healthy and unlock their potential with clean water, decent toilets and good hygiene.

Here are some of the people and organisations that have changed the world with water this year.

Last year players of the **Postcode Lottery** raised £3 million to help people change their lives with clean water, decent toilets and good hygiene. This brings their total raised over the last 13 years to over £31 million! We are incredibly proud of what we have achieved together, and of the impact players continue to make.

Geoff Litterick has been a volunteer for over 20 years, playing a significant role in raising funds and awareness for WaterAid in Coventry, Warwickshire and the surrounding areas. This year, Geoff hung up his wellies for the last time as a festival volunteer. We are thankful that he will still be delivering entertaining and engaging talks as one of our most dedicated Speakers.

Thank you to **Jersey Overseas Aid and the people of Jersey** for funding ECOSAVE since 2024. This transformational project is supporting communities in the Berbere district of Ethiopia to build more diverse and sustainable livelihoods and strengthen their resilience to the effects of climate change while protecting biodiversity.

We are grateful to the **Wimbledon Foundation** for a transformational partnership since 2017. Together, across eight countries, we have supported over 203,000 people to get clean water. We've also contributed to improved WASH in healthcare facilities serving nearly 930,000 people. Time to Play, a photography series by award-winning photographer Delali Ayivi, was displayed at The Championships 2025, celebrating how clean water gives people the opportunity to thrive.

Pete Leary

Pete Leary volunteering for WaterAid at Glastonbury Festival.

Pete Leary is one of our most committed volunteers, helping to inspire support for WaterAid across the UK water sector. He champions fundraising, raises awareness of our work and connects people with the difference their support makes. Pete's longstanding commitment has made him a valued advocate for WaterAid and our mission. And he never fails to show up to volunteer at a festival too!

We would like to thank **Magnus Rausing and the Tetra Laval Charity Committee** for funding the Tetra Laval WASH in Schools Initiative since 2023, which has significantly improved water, sanitation and hygiene services across 30 schools in Karachi, Pakistan. Thanks to their incredible generosity, this project is creating healthier school environments, supporting children's wellbeing, and helping communities build a strong foundation for education and long-term development.

Go TeamWater!

In August 2025 WaterAid partnered with YouTubers MrBeast and Mark Rober to launch TeamWater, a global campaign to spotlight the scale of the water crisis and mobilise action at an unprecedented level.

The campaign set out to raise awareness of the millions of people still living without access to clean water, alongside an ambitious fundraising goal of $40 million to provide safe water to two million people around the world.

After an exciting and successful campaign, TeamWater programme work is now underway. Its focus is on delivering sustainable impact at scale, strengthening and expanding water systems so communities have reliable access to clean water for years to come. This initiative is grounded in proven, evidence-based approaches carefully planned out over five years. TeamWater will deliver meaningful, long-term change for millions of people.

This year the focus has been on building strong foundations. We have been working closely with local governments, water utilities and communities to design sustainable solutions across five focus areas – Bugesera district in Rwanda, Chattogram in Bangladesh, Lagos in Nigeria, Maputo in Mozambique, and areas around Phnom Penh in Cambodia – as well as scaling up our work with communities around the world.

We've established new partnerships, designed water treatment plant rehabilitations and network extensions, and begun to involve communities and promote the benefits of clean, piped water. TeamWater has already reached thousands of people with clean water this year.

Over the next year we expect to begin large-scale infrastructure work in the five focus areas, alongside strengthening the systems needed to operate, maintain and sustain services long term.

Thank you for being part of TeamWater!

WaterAid/Lee-Ann Olwage

YouTuber Jimmy Donaldson aka MrBeast with Vera Sheriff and community leader Kondwani Limison during a visit to Dyetse village in Malawi, where a new water point has been installed to provide clean water to the community. July 2025.

We are incredibly grateful to **Kate Jones**, who left a generous gift to WaterAid in her will. Kate's father, Roy Oakley, was a dedicated supporter and volunteer in the 80s and 90s. A water engineer, Roy was part of WaterAid's original Technical Advisors Team and helped shape some of our early technical approaches. When Roy passed away in 2015, Kate added WaterAid to her will in his memory. Kate sadly died in 2023, and her gift has now supported a large-scale water project in Rwanda, reflecting the engineering past and WaterAid legacy of her father.

Between 2023 and 2025, **Hogan Lovells Cadwalader** and employees have donated over £375,000 to fund work in Mozambique and Pakistan, supporting communities to improve their lives through clean water, decent toilets and good hygiene. The law firm has provided over £1.2 million to WaterAid in pro bono legal support, strengthening our work globally and enabling us to maximise our impact.

Thank you

THANK YOU to everyone who has supported WaterAid this year. Your donations, campaign actions and partnership have powered our work to change the world through water.

The following people and organisations played an important role in 2025–26 towards our shared vision of a world where everyone, everywhere has clean water, decent toilets and good hygiene.

We are so grateful to have you on our team and can't wait to do even more together!

Solidarity march supporting WaterAid's global maternal health campaign, Ntichi, Malawi. March 2026.

Companies and partners

- AB InBev Foundation
- Armani beauty
- Belu Water Ltd
- Diageo Plc
- DP World
- European Society of Clinical Microbiology and Infectious Diseases (ESCMID)
- GSK
- Hogan Lovells Cadwalader
- Liquid I.V.
- Nature's Pride
- Sulzer
- Wimbledon Foundation

Faith-based communities

We are deeply grateful to the individuals and communities who contributed to our mission through their faith-based giving. We gratefully acknowledge the compassion and commitment to service of churches and congregants, whose donations have made a lasting impact. And a sincere thank you to everyone who contributed their Zakat, upholding a key pillar of Islamic giving and enabling people to live with better health and dignity.

Institutional fundraising

- Adaptation Fund
- Austrian Development Agency (ADA)
- Enabel – Belgian Agency for International Cooperation
- European Commission
- Foreign, Commonwealth & Development Office (FCDO)
- Global Affairs Canada
- Swiss Agency for Development and Cooperation (SDC)
- United Nations Children's Fund (UNICEF)
- World Health Organization (WHO)

Legacy makers

A special thank you to everyone who chose to leave a gift in their will and make clean water part of their legacy.

Philanthropists, trusts and foundations

- Band Aid Charitable Trust
- Jersey Overseas Aid and the people of Jersey
- Lord Howard and Lady Jennifer Leigh
- Magnus Rausing and the Tetra Laval Charity Committee
- Medicor Foundation
- Mirfield Trust
- Mukul Madhav Foundation
- N and R Karnani Trust
- Players of the Postcode Lottery
- Reo Stakis Charitable Foundation
- ShareGift

Remembering Dr Md Khairul Islam

Dr Md Khairul Islam, who served as Country Director of WaterAid Bangladesh from 2008 and Regional Director for South Asia from 2019, played a defining role in advancing WaterAid's work across the region. A respected leader, researcher and advocate for public health, he also mentored and inspired colleagues throughout his career. Dr Islam passed away on 21 August 2026, shortly before his planned retirement. We remember him with gratitude and respect, and honour the lasting impact he made on WaterAid, the wider WASH sector and the communities he served.

Dr Md Khairul Islam speaking at the Toilet Conference in Dhaka, Bangladesh. February 2025.

- Sunflower Charitable Foundation
- The Alchemy Foundation
- The Constance Travis Charitable Trust
- The George and Emily von Opel Foundation
- The Tolkien Trust
- The Waterloo Foundation
- The Zochonis Charitable Trust

UK water industry staff, supply chain and customers of:

- Affinity Water
- Anglian Water Alliance – Beacon Project
- Anglian Water Services Ltd
- Dŵr Cymru Welsh Water
- Environment Agency
- Northern Ireland Water
- Northumbrian Water Group
- Pennon Group
- Scottish Water
- Severn Trent
- South East Water
- Southern Water
- Thames Water
- Wessex Water
- Yorkshire Water

Volunteers

Thank you to all our volunteers who supported our work through the Speaker Network, Local Groups, at festivals, at school, university or the workplace, and beyond.

Financial summary

Income

Total income in 2025–26 has increased from the prior year by 19%, which is an incredible achievement in the current challenging economic and political environment. The increase is largely thanks to the generosity of individuals who have donated through the TeamWater campaign and those who have remembered WaterAid in their wills. We are immensely grateful to our supporters, especially with the economic pressures being experienced across the world by many people. Your support has a direct impact on our ability to respond to the difficult and often volatile circumstances being experienced in the countries where we work. Despite the loss of government funding from the United States, institutional funding diversified and grew in 2025–26.

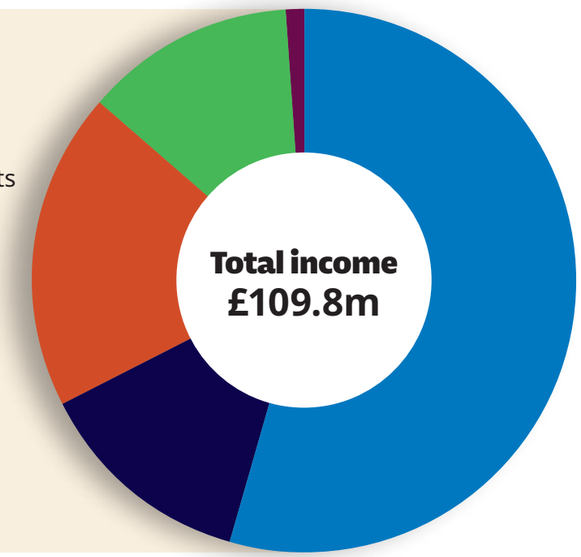
Unrestricted funds

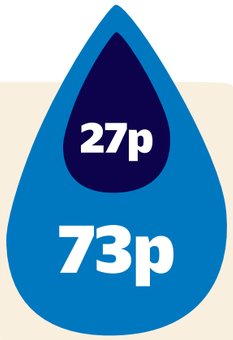
We ended the year with an unrestricted deficit of £2.8m which reduced our general income fund at the end of March 2026 to £17.7m (2025: £18.9m). This is above the target minimum range of £13m to £15m set by trustees which we will draw on to manage future risks and to invest in our strategic priorities. Designated funds currently consist of the Fixed Asset Fund of £1.7m (2025: £3.3m) which represents the value of our assets that would be difficult to realise quickly. More details on our reserves policy can be found on p46.

Restricted funds

Restricted funds of £19.5m (2025: £12m) represent funds that have a specified purpose as expressed by the donor. Expenditure is charged to the specific fund in line with the terms of the donor contract. The trustees have no discretion of allocating the funds to any other use.

- Individual supporters **£59.9m**
- Corporate partnerships and trusts **£14.3m**
- Other WaterAid member countries **£20.8m**
- Governments and other institutions **£13.7m**
- Other income **£1.1m**



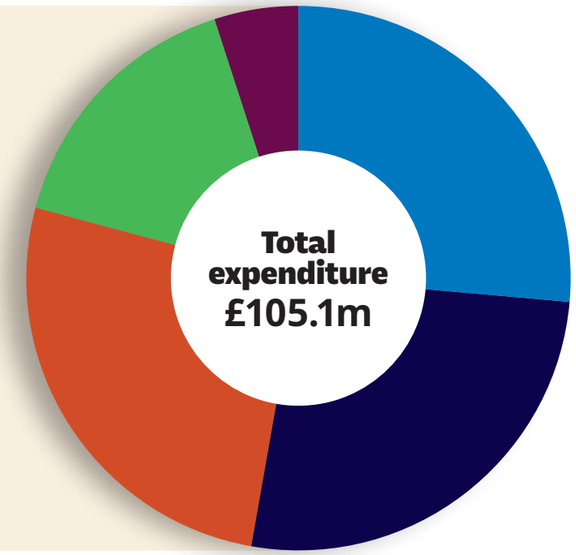


In every £1 spent, 73p went on delivering services and making change happen and 27p went on fundraising and governance

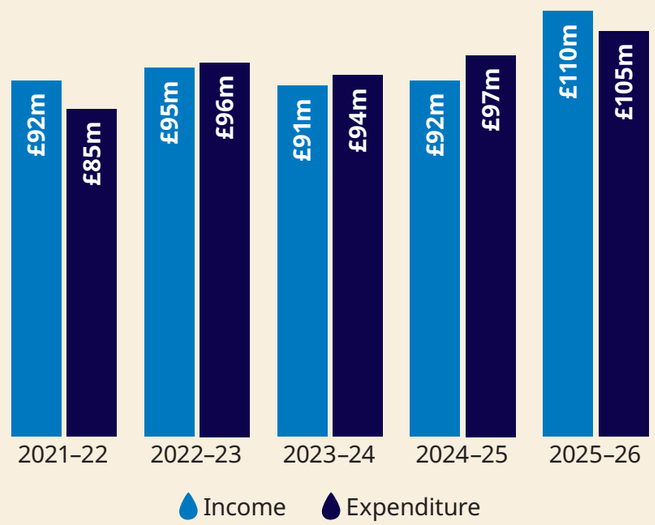
Expenditure

Total expenditure increased by 8% on the previous year. The increase in expenditure was due to planned investments in fundraising in the UK and other members to secure future funding but also some higher than planned spend on international programmes and policy work. Tax increases in the UK and inflation across all countries we work in have added to cost pressures as well as some reporting losses due to the devaluation of our USD balances.

- Fundraising **27%**
- Supporting partners to deliver water, sanitation and hygiene **27%**
- Strengthening national and local capacity to deliver services **25%**
- Influencing policy in water, sanitation and hygiene **16%**
- Supporting WaterAid globally **5%**



Income and expenditure 2021–22 to 2025–26



Fund balances

At the end of March 2026, the closing total charity funds were £38.9m (2025: £34.3m), made up of the following:

£17.7m
General funds

£1.7m
Designated funds (fixed assets fund)

£19.5m
Restricted funds

Our values

Our values define our culture and unite us across the many countries in which we work. They are at the very heart of WaterAid – who we are, what we do and how we do it.

- **Respect** We treat everyone with dignity and respect, and champion the rights and contribution of all to achieve a fairer world.
- **Accountability** We are accountable to those we work with and to those who support us.
- **Courage** We are bold and inspiring in our actions and words, and uncompromising in our determination to pursue our mission.
- **Collaboration** We work with others to maximise our impact, embracing diversity and difference in the pursuit of common goals.
- **Innovation** We are creative and agile, always learning, and prepared to take risks to accelerate change.
- **Integrity** We act with honesty and conviction, and our actions are consistent with openness, equality and human rights.

Safeguarding

Our commitment

We are committed to the safeguarding and wellbeing of all individuals, from the people in the communities where we work to our staff, volunteers, contractors and partners. We have zero tolerance for the abuse of power, privilege or trust, or any form of inappropriate behaviour, discrimination, abuse, harassment or exploitation of any kind.

All representatives of WaterAid – our staff, volunteers, contractors and partners – commit to our Global Code of Conduct which sets out our high standards of expected behaviour and outlines the consequences if these standards are not met.

Safeguarding activity

All reports of misconduct are received and managed by our Global Safeguarding Team and non-safeguarding reports are passed to other departments. When a safeguarding investigation is required, the Global Safeguarding Team lead with a survivor-centred approach and take care to protect and safeguard everyone involved. WaterAid has zero tolerance for inaction.

In 2025–26, our Global Safeguarding Team received 48 reports from across the WaterAid federation, 35 of which related to the UK or UK country programmes.

A total of 12 reports were assessed as more serious and required a full safeguarding investigation by our team of trained investigators.

Of the 12 reports, three cases were substantiated and reported to the UK Charity Commission. Two of these cases are now closed and recommendations implemented, and one remains open.

Five cases were substantiated and survivors were supported through the investigations. The following remedial action was taken: a hotel employee was removed from having contact with guests; a survivor was moved to a safe location; and persons of concern were removed from their volunteer duty.

Three allegations were not upheld and were referred to IT, Internal Audit and the employer of the person of concern.

One investigation was not possible due to insufficient information. Where we cannot carry out a full investigation, we look at ways to improve training, policies and procedures and how we raise awareness to enhance how we support survivors and mitigate any risks.

There were 36 reports of inappropriate or concerning behaviour that did not allege serious harm. All reports were dealt with promptly and resulted in feedback about behaviour, training, safeguarding clauses in contracts being reviewed, volunteer recruitment and engagement policies being strengthened, and the termination of contracts.

Following all the reports received, we are:

- raising awareness with staff on how to report concerns and working to remove barriers to reporting.
- continuing to strengthen community awareness and engagement on safeguarding.
- improving our internal triage process to ensure non-safeguarding concerns are assigned to the right teams, such as People/HR, Internal Audit or Security, quickly and effectively.
- extending safeguarding inductions and training to suppliers, such as hotels and transport providers.

Given the scale of our operations and partnerships, and the challenging contexts in which we work, we also recognise there is likely to be a degree of underreporting. We remain dedicated to strengthening and improving reporting with partners and communities we work with, and to continued investment in safeguarding.

Governance

WaterAid UK has a safeguarding lead Trustee who ensures the Board achieves its safeguarding responsibilities. Safeguarding lead trustees from across the federation form WaterAid's Safeguarding Community of Practice Group.

Our Global Safeguarding Director provides written reports to all WaterAid boards, attends the WaterAid UK Board meetings, and liaises regularly with senior stakeholders, safeguarding trustees, and the chairs of each WaterAid board.

All Trustees complete safeguarding training every two years delivered by the Global Safeguarding Team.

The Global Safeguarding Team have trained investigators in Ghana, Nigeria, Pakistan and the UK who speak multiple languages and bring diverse perspectives on complex challenges.

This year, the Global Safeguarding Policy was updated with people-centred language and new sections on safer recruitment and programming.

Training and awareness

Our global network of 70 Safeguarding Focal Points across 30 countries delivers training to staff, partners, contractors and consultants. Safeguarding Focal Points work closely with communities through inclusive, culturally grounded and continuous engagement.

This network came together in October for training on strengthening ownership of safeguarding priorities, building confidence in local implementation, and motivation and accountability in safeguarding work. Eight Safeguarding Focal Points also attended an online conference enhancing their safeguarding knowledge and engaging with the wider sector.

In 2025–26, the Safeguarding Focal Points and Global Safeguarding Team trained over 8,000 people, through face-to-face training, new films and printed materials, and an updated eLearning module for all staff and Trustees.

Strengthening the sector

WaterAid values the collaborative efforts of the international development sector in strengthening safeguarding knowledge and we are actively involved in local safeguarding networks.

This year, we signed up to INTERPOL's Project Soteria to strengthen our commitment to preventing known perpetrators of sexual exploitation, abuse and harassment from moving between organisations in the humanitarian and development sector.

The Global Safeguarding Team organised a training event for 12 safeguarding colleagues from WaterAid, the British Council, Save the Children UK and Save the Children International on investigation techniques using publicly available sources.

WaterAid is a member of the Harmonized Reporting Scheme, ensuring more transparency of data across the international development and humanitarian sector. We also follow the Common Approach to Preventing Sexual Exploitation and Abuse throughout our work.

For more information, please see wateraid.org/uk/safeguarding-and-whistleblowing

Modern slavery

Our full Modern Slavery Statement is available at wateraid.org/uk/modern-slavery-statement. It outlines our commitment and coordinated action in relation to the Modern Slavery Act 2015 in respect of our policies for staff and partners, and our operations and supply chains.

During the year, we continued to strengthen our community safeguarding awareness and engagement activities through a dedicated Community Safeguarding Engagement Adviser post. This will ensure those we work with are empowered to access and claim their safeguarding rights. Any concerns around modern slavery or trafficking are reported, recorded and dealt with through safeguarding procedures.

During 2025–26, no safeguarding concerns about modern slavery were reported.

Anyone can raise a safeguarding concern by contacting the Global Safeguarding Team on **+44 (0)207 793 4468** or at **safeguarding@wateraid.org** You can also report concerns to our independent whistleblowing service, **Safecall**.

Diversity, equity and empowerment

Our vision is a globally connected WaterAid where everyone feels safe, respected, valued and empowered to help deliver clean water, sanitation and hygiene for all. We challenge bias, embrace difference and aim to build a global organisation where every individual has the agency to lead, speak and learn.

Every WaterAider contributes to this culture and to delivering our four commitments to diversity, equity and empowerment (DEE):

1. **Continual learning and allyship:** We strengthen our understanding, build respectful relationships, and take action toward equity.
2. **Inclusive practices:** We embed equity, diversity and empowerment into every function and process.
3. **Mission-centric structures:** We design our systems to be equitable, transparent and led by those closest to our work.
4. **Respectful communications:** We represent people and communities with dignity, accuracy and care.

Over the past year, we have developed a strategy to turn these commitments into action. We have deepened our understanding of how visible and invisible power dynamics shape our work, decision making and organisational culture. We are proud to take a country-led approach to DEE, understanding that DEE issues are complex and need to be contextualised.

Continual learning and allyship

Our Global Power and Diversity Steering Group, made up of representatives from across the WaterAid federation, oversees actions to deliver our commitments. The group regularly engages in internal and external learning from real DEE scenarios.

To build a shared understanding of DEE across all teams, roles and regions, we launched an e-learning module exploring what DEE means at WaterAid and how different forms of bias can influence us.

In Pakistan, South Africa and West Africa, learning sessions helped teams to contextualise the commitments and apply them within our programmes. Sessions on gender, empowerment and diversity were delivered to our teams in South Asia and leadership teams in East, Southern and West Africa.

Inclusive practices

We marked Diversity Month in October with a series of webinars celebrating what makes us unique and ensuring every voice counts. Our annual Staff Engagement Week focused on our organisational values of Courage and Accountability, encouraging staff to speak up, navigate difficult conversations, and advance gender equality. These events created space for reflection and dialogue across the organisation.

This year, we implemented DEE moments – short, monthly nudges that invite staff to pause, reflect and engage with DEE in real, everyday ways. Each moment is anchored in something meaningful – a global celebration, shared story, staff insight or simple question. They connect to the wider world and our daily work and translate DEE into lived and everyday practice across our teams.

In Pakistan, the team is preparing to review its workspaces to enable inclusion and facilities for disabled staff. This reflects our work to ensure WASH services are accessible for people with disabilities in communities. In Bangladesh, there was a focus on age, with a workshop for emerging young leaders and their managers, to strengthen engagement between generations. In Madagascar, Malawi, Mozambique, South Africa and Zambia, managers learned about inclusive behaviours and how to recognise and

address personal biases, and senior managers took part in inclusive hiring and gender-sensitivity training.

In the UK, family-friendly policies have been enhanced; the team began working towards being the first UK non-profit to be accredited as a fertility-friendly employer; the pay policy was strengthened to remove opportunities for unintended bias during hiring; 60 staff members joined a webinar on supporting men's mental health in the workplace; and UK-based roles were advertised using a diversity-focused job board to improve the representation of people with global-ethnic-majority backgrounds.

Mission-centric structures

To strengthen diversity and representation at leadership level, we expanded representation from the global ethnic majority within WaterAid's Global Executive Group and WaterAid member countries set targets to ensure senior management teams are more inclusive and reflective of diverse perspectives. The WaterAid Board has a lead Trustee for DEE and we aim to maintain a Board with a gender balance and at least 40% representation from global-ethnic-majority backgrounds.

We redesigned our leadership development programme this year to align with our DEE commitments, explicitly address power imbalances, and promote inclusive, agile and purpose-driven leadership. Based on feedback from country directors, work is underway to develop practical support for country programmes in establishing governance structures that amplify national and local voices.

Teams in Bangladesh and Zambia introduced open forums for staff and leadership teams to improve communications, encourage transparency and balance power dynamics.

Respectful communications

We identified communications champions to ensure internal and external communications reflect respectful, inclusive and representative language, imagery and organisational perspectives. We are working to improve access to internal communications using technology to support translation and interpretation into multiple languages.

Gender and ethnicity pay gap

Our gender and ethnicity pay gap statements for staff based in the UK are available at wateraid.org/uk/about-us/gender-and-ethnicity-pay-gap-statement. They outline our commitments to address the gender and ethnicity gap through actions including flexible working and diversity and inclusion training.

Managing risk

There is a degree of risk in all WaterAid's activities. By understanding and managing these risks effectively, we protect our people, programmes and reputation, enabling us to deliver our mission responsibly. Good risk management supports informed decision making, strengthens resilience, and allows us to respond to change and seize opportunities that increase our impact.

We have an active risk management process in place ensuring appropriate steps are taken to identify, monitor and manage risk across the organisation.

Roles and responsibilities for managing risk

Board of Trustees	• Statutory responsibility for risk management with day-to-day risk management delegated to the Executive Directors Team. • Trustees assure themselves that management have identified and assessed risks and their consequences, that risks are being monitored and managed, and that risks are reviewed regularly. • 'Deep dive' sessions and discussion of emerging risks as needed. • Approves Risk Management Framework.
Audit & Risk Committee of the Board	• Oversight of risk management policies and procedures. • Monitors the adequacy and effectiveness of internal controls on behalf of the Board. • Approves internal and external audit plans.
Executive Directors Team	• Implementation of the Risk Management Framework. • Prepare and implement Risk Management Plan. • Drives continuous improvement in risk management.

Principal risks and uncertainties

The table below sets out the principal risks monitored by the Board of Trustees, and how the risks were addressed over the course of the year.

Risk	Mitigations
Geopolitical uncertainty Rapidly changing global and national contexts could negatively affect our ability to achieve strategic objectives. Risk to fundraising and the financial resilience of our partners due to the reduction in overseas aid and the continuing cost of living crisis. Increasing costs caused by inflation or foreign exchange volatility.	• Advocacy strategies with flexibility to respond to changing circumstances. • Close cooperation with our partners. • Diversity of fundraising sources and a focus on innovation, testing and learning. • Close monitoring of spend against budget and impacts of inflation or foreign exchange volatility.
Health, safety and security Risk of harm to people we work with and for.	• Global Security Framework, policies and reporting mechanisms in place. • Risk-based training in place for staff, including in crisis response.
Safeguarding Risk of harm to people we work with and for.	• Global Safeguarding Framework, policies and reporting mechanisms in place. • Full staff, consultant, volunteer and Trustee mandatory safeguarding training.
Cyber security Critical cyber attack could take down our systems, resulting in loss of sensitive data, GDPR breaches and/or substantial business disruption, potential fines and reputational damage.	• Cyber security and data protection functions in place to embed policies and procedures. • Mandatory training for all staff on cyber security and data protection. • Systems in place to detect unusual activity on our network. • Cyber Essentials accredited.
People The ability to recruit, develop and retain talent to deliver our ambitious global strategy. High workloads put pressure on teams.	• Staff sentiment monitored through our Global Employee Engagement Surveys. • Wellbeing Strategy in place. • Continuous efforts to upskill staff and streamline processes. • Salary and reward benchmarked to the sector to ensure they remain competitive.
Environmental Severe weather events disrupt current or previously implemented work.	• Contingency plans in place for areas of known climate-related risk. • Mitigation of climate risk included within our quality programme standards.

Our public fundraising approach

WaterAid remains committed to upholding the highest standards of fundraising practice and compliance with all relevant UK regulations. We are registered with the Fundraising Regulator, paying the annual levy, and work diligently to comply with the Code of Fundraising Practice and the Fundraising Promise across all fundraising activities. We support measures that will improve public trust and backing for fundraising in the charity sector as a whole. We actively engage with the public consultations on the Code of Fundraising Practice and champion its standards across all our fundraising, and we adhere to the requirements of the Fundraising Preference Service. Our approach to ensuring compliance with the Code of Fundraising Practice is agreed in our policy, 'Complying with the Code of Fundraising Practice'.

We actively engage with the Fundraising Regulator and other relevant industry bodies such as the Chartered Institute of Fundraising, Ofcom, ASA, ICO and the DMA, as well as relevant forums. This high level of engagement means we are aligned with industry best practice, which we also help to define, and ensures we are prepared for incoming regulatory changes. We comply with all relevant statutes and regulations relating to fundraising, including the Charities Act 2011, the Data Protection Act 2018, and the Privacy and Electronic Communications Regulations 2003.

We raise a significant percentage of our funds from the public and our primary aim is to ensure we do this to the highest standard in a respectful and inspiring way, consistent with our core values. We have policies and procedures in place to ensure all our fundraising is legal, open, honest and respectful.

It is paramount that we protect potentially vulnerable supporters from undue pressure. We adhere to the Chartered Institute of Fundraising's guidance, 'Treating Donors Fairly', in all our fundraising, and ensure our agency partners uphold these standards. All new fundraisers who join WaterAid must complete the mandatory Fundraising Compliance Induction, delivered by the Fundraising Compliance Manager, which includes a module on protecting people in vulnerable circumstances and how to recognise and respond appropriately to a potentially vulnerable supporter.

You can read our Vulnerable Supporter Policy, informed by industry guidelines, on our website at wateraid.org/uk/our-fundraising-promise.

To raise funds and awareness and enable our supporters to get involved, we engage in a variety of fundraising activities, including telephone fundraising, postal and email campaigns, TV adverts, digital and press advertising, social media, promoting legacies, events, payroll giving, community fundraising, engaging philanthropists, trusts and foundations, and engaging public sector bodies and commercial and corporate partners.

Our valued fundraising partners are vital for us to achieve our ambitious fundraising targets. WaterAid only works with partners and suppliers who align with our values and have passed our ethical checks, and we always have a contract in place ensuring compliance and standards are met and monitored.

Telephone fundraising is a fantastic way for us to speak to our supporters, asking them if they can support us and updating them about our work across the world. We only call supporters who have given us explicit consent to speak to them on the phone. We use a professional telephone fundraising agency, Angel, to carry out this work on our behalf in accordance with our own high standards and in compliance with all relevant regulation and legislation. Our due diligence framework is contractually agreed with Angel and ensures we have a robust monitoring programme in place. This includes call listening, fundraiser training and certification to ensure fundraisers uphold the highest standards of supporter experience and compliance. As part of their induction to WaterAid, all Angel fundraisers are required to sign a Code of Conduct stating they will protect

people in vulnerable circumstances and uphold WaterAid's high standards in their fundraising.

To ensure our telephone fundraising is of the highest standard we partner with an agency that can deliver the exceptional quality our supporters expect, we run a full tender every three years. You can learn more about our approach to telephone fundraising at wateraid.org/uk/telephone-fundraising.

We work with professional fundraising organisations (PFOs) who are invited into workplaces to sign people up for payroll giving. All PFOs are registered with the Fundraising Regulator, meaning they are committed to fundraising in line with the Code of Fundraising Practice. We complete an annual audit of all our agencies' fundraiser induction training, providing assurance that the right training is in place to ensure responsible fundraising practice. The PFOs we partner with only work on business premises, at the invitation of the business, and not in any public space.

To ensure compliance, the Fundraising Compliance Team operates a continuous review of the standards set out in the Code of Fundraising Practice and regularly reports on areas of note and risk to the Executive Directors Team, the Audit & Risk Committee and the Communications & Fundraising Committee. In 2025–26, we received no official complaints from the Fundraising Regulator and were not subject to any investigations by them.

It is vital that we communicate with our supporters in the manner they prefer, respecting their privacy and communication preferences. We actively encourage supporters to contact us with any feedback, and we give complaints our utmost attention, to help us improve our fundraising approach.

During 2025–26, we made 5,768,644 contacts using email, mail and telephone. We received 104 complaints about our fundraising, 0.002% of the total contacts we made. These were 81% of all complaints received. Our Supporter Care Team investigates every complaint, responding within three working days. We do all we can to resolve complaints and ensure supporters are happy to be part of our work. The main causes of the complaints were direct mail (26%), telephone fundraising (16%) and TV advertising (8%).

Data protection

We take privacy seriously so that our supporters can trust us with their data. We always demonstrate our accountability to the principles of the UK GDPR and the requirements of the Data Protection Act 2018. We have the following in place to help protect personal data:

- Data protection policies and guidance
- Simple processes allowing our supporters to easily exercise their UK GDPR rights
- Internal governance arrangements that support our data security and management
- Contracts with our data processors (e.g. our mailing house) to ensure they adhere to the same data protection standards we do
- New starter and bespoke training to ensure our staff receive relevant and helpful guidance on their data protection responsibilities
- Data Protection Impact Assessments to ensure data protection is at the heart of any new initiative involving personal data – including AI

For more information on how we use and protect personal data, see our privacy notice at wateraid.org/uk/privacy-policy.

Ngosa Mweenda works as a metal bender in Kalingalinga, Lusaka, Zambia. July 2025.

WaterAid/Lee-Ann Olwage

Managing our finance

Reserves Policy

Our Reserves Policy seeks to retain a level of readily accessible funds within an operational reserve of unrestricted monies to mitigate financial risks identified in the risk management plan. Trustees review winding down costs, current risks based on the risk register, and strategic investment requirements in setting the target range. The operational reserve is reviewed on an annual basis and for 2025–26 the target range was £13m to £15m, with the minimum set at £11.5m. If at any time during the year the reserves are predicted to go below the minimum reserve level, remedial action must be taken. Any funds above the minimum reserve level are considered as the available strategic reserve that can be used at the discretion of the Trustees. The general income fund at the end of March 2026 was above this range, at £18m.

Most of our unrestricted income is generously donated by individuals through regular gifts, legacies or fundraising events. Throughout the year, cost of living pressures continued to challenge our fundraising ambitions. Continued high inflation and depreciation of USD have made delivering our programme work more expensive. Simultaneously geopolitical concerns are putting pressure on international development assistance budgets which has affected the scope of our work in some countries. We had planned to end the year with an unrestricted deficit of £3.5m but this reduced by the end of the year to a deficit of £2.8m due to more income than expected from individual supporters in the UK.

Total funds at 31 March 2026 were £39m, of which £19m was in restricted funds and £2m was in designated funds (fixed assets fund).

Restricted funds are received from governments, trusts, foundations, corporations and individuals. The restrictions that these partners place on the funds they give us can range from a focus on a theme or country to a high degree of restriction, such as a specific project in a particular country. These monies are dedicated to specific programmes and the Trustees have no discretion to reallocate them to other uses. Restricted funds received in one year are carried forward into future years where the criteria for applying them to particular programmes have yet to be met for compliance with the funder's conditions.

We aim for as much flexibility in our funding portfolio as we can achieve, working in partnership with those that fund us. We are stringent in our management of all our funding, whether restricted or unrestricted.

Investment Policy and performance

We hold short-term investments and cash. The objective of our Investment Policy is to limit risk as far as is possible while earning such interest as is available on very secure deposits. Accordingly, our Investment Policy is to hold cash or invest in short-term liquid deposit accounts only at those banks with a high credit rating. We don't invest in stocks and shares.

Due to lower base interest rates in the UK, investment income was £843,000 in 2025–26 (2024–25: £1,098,000); however, we expect good rates of return on cash balances to continue in 2026–27, on an assumption that prevailing interest rates on deposits will remain at current levels.

Going concern statement for 2025–26

As required by the Charities Statement of Recommended Practice (FRS 102), we assess whether there are any uncertainties that may cast doubt over our ability to continue as a going concern. For this purpose, we focus on a period of 18 months following the signing of these accounts, so the period to at least the end of March 2028.

Our annual budget and plan, presented to the Board in March 2026, represents management and the Board's best forecast of the fundraising targets and key income streams, alongside the expected cost base. The Board approved the annual budget for the year ending 31 March 2027 on that basis.

This budget forms the base case for our going concern assessment. In addition, we have undertaken scenario modelling to understand the impact of various income downsides and cost pressures on our future expenditure both at a UK and country programme level. We have modelled several scenarios that when compared with the budget assumptions reflect lower income and a higher cost base.

We have also prepared a 'severe but plausible downside' scenario, which combines high inflation with other economic pressures affecting stock and property prices, a material reduction in regular giving, and no continued funding received from key donors.

The impact of the severe scenario would require consideration of mitigating actions, which are wholly within our control, to reduce our discretionary cost base. The analysis indicates that on the basis of this scenario, the Group would have sufficient liquid reserves to honour our committed funding obligations and to maintain sufficient liquidity throughout the going concern period.

Robust monitoring processes are in place to ensure the organisation can react quickly to any downturn in income and the short-term deposit investments held can be liquidated quickly if they are required. The Group currently has no bank financing or loan agreements and therefore there are no covenants to consider.

For 2026–27, the Group is aiming its reserves level to be within a range of £13–15m with a minimum target of £11.5m. Furthermore, as at 31 March 2026 the Group had managed cash and short-term deposits of £35.9m, well above our level of contractual commitments.

Taking into account our current position, our principal risks, and analysis on severe but plausible downside scenarios, the Trustees have a reasonable expectation that the charity will be able to continue in operation and meet its liabilities as they fall due over the medium term. Accordingly, the Group expects to continue to have access to sufficient liquid resources to meet its obligations for a period of at least 18 months after the approval of these financial statements, namely the period to March 2028, and the Board therefore continues to adopt the going concern basis of accounting in preparing the financial statements.

Public benefit

The Trustees have taken into account the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning our future activities.

How we operate

WaterAid is a member of a global federation of which there are seven other members in America, Australia, Canada, India, Japan, the Netherlands and Sweden. All federation members are independently constituted organisations with their own boards. WaterAid receives funding from other members of the federation to deliver services and make change happen. At the same time, WaterAid invests in other members to support their future growth. WaterAid also funds part of the running costs of WaterAid international, a requirement of all members.

Legal structure

WaterAid was established by Trust Deed on 21 July 1981, incorporated on 30 January 1984 and registered as a charity in England on 22 February 1984. WaterAid registered as a charity in Scotland on 3 April 2008. WaterAid has a Memorandum which sets out the objects and powers of the organisation and is governed in accordance with its Articles of Association.

WaterAid is a company limited by guarantee, under which the members each undertake to contribute £1 in the event of the company being wound up. WaterAid is a member of the WaterAid federation. Federation members include America, Australia, Canada, India, Japan, the Netherlands and Sweden. WaterAid international was formed in 2010 and is the secretariat for the federation, holding the WaterAid trademarks and licensing members of the federation to use those marks. WaterAid international accounts do not require consolidation into WaterAid accounts as WaterAid does not exercise control or significant influence over WaterAid international.

Trading company

The principal activity of WaterAid Trading Limited (the 'company') is identifying and undertaking commercial licensing deals. WaterAid Trading Limited made a net profit of £326,008 (2024–25: £204,997). A deed of covenant is in place whereby all profits generated by the company are Gift Aided to the parent charity. This trading company is wholly owned by WaterAid and primarily operates the sub-licensing agreements that WaterAid enters into but also sells goods.

Resilient Water Accelerator Limited

During the year, the Resilient Water Accelerator (RWA), a project run from within WaterAid, was spun out into a previously dormant wholly owned subsidiary company of WaterAid. The principal activity of RWA is to work with local decision makers to identify and cultivate opportunities that can help promote investment in water security, particularly in regions where water supply, sanitation and hygiene are inadequate. In 2025–26, Resilient Water Accelerator Limited, which is primarily grant-funded made a net profit of £nil (2024–25: nil).

Organisation structure

WaterAid is led by our Chief Executive, Tim Wainwright, and a team of five executive directors. The Internal Audit Department reports to the Chair of the Audit & Risk Committee and the Chief Executive. The executive directors are responsible for the departments of International Programmes; Policy and Campaigns; Finance, Technology and Strategic Planning; Communications and Fundraising; and People and Organisational Development.

As of 31 March 2026, WaterAid had offices, registered as branches of the UK company, in 22 countries in Africa and Asia as well as a London office.

Country directors in each branch report into a regional director. All are appointed by and accountable to the Executive Director of International Programmes. Country heads of finance report to the country directors and have a dotted line to the UK-based Executive Director of Finance, Technology and Strategic Planning.

WaterAid also works in partnership with civil society networks and other organisations in countries where there is no WaterAid presence.

Streamlined Energy and Carbon Reporting (SECR)

This section includes our mandatory reporting of energy and greenhouse gas emissions for the period 2025–26, pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, implementing the UK Government's Streamlined Energy and Carbon Reporting (SECR) Policy.

Additional WaterAid emissions reporting has been included following the implementation of WaterAid's own Greenhouse Gases Emissions Standard. WaterAid has a global ambition to halve its global emissions by the end of our current strategy (2032), and a Global Sustainability Policy and Emissions Standard in place. These were developed in line with the GHG Protocol and science-based targets.

How our carbon footprint and energy consumption are calculated

Our methodology to calculate our greenhouse gas (GHG) emissions is based on the GHG Protocol Corporate Accounting and Reporting Standard, incorporating, where possible, data supplied directly by WaterAid's suppliers.

The table on the next page includes GHG emissions calculated by tonne of carbon dioxide equivalent (tCO_2e), along with our carbon intensity ratio.

Carbon reduction and energy efficiency actions

Mandatory carbon reporting requires that we provide the UK grid electricity conversion factor for the use of WaterAid's purchased energy. WaterAid's own carbon reporting reflects that the UK office's energy is purchased from a certified 100% renewable energy supplier, supporting the development of new wind and solar parks.

The carbon intensity of printed materials has again significantly reduced in 2025–26, driven by a targeted decrease in volume.

Improved reporting accuracy, through revised air travel emissions factors reflecting WaterAid's economy-class travel policy, is the principal reason for the reduction in travel emissions. Encouraging festival volunteers to consider sustainable travel options has also further reduced the carbon footprint of WaterAid staff and volunteer travel.

		2025–26	2024–25	
Emissions source	**Data source**	kWh	kWh	
Office energy consumption	Total WaterAid office energy usage	217,833	221,476	
Mandatory carbon reporting				
		tCO_2e	tCO_2e	**Scope**
Owned vehicles	WaterAid does not own/operate our own vehicles in the UK	0	0	1
UK office – purchased energy	Energy consumption from provider; 2024 UK electricity grid published conversion factor (0.20705kg CO_2e per kWh) 2025 UK electricity grid published conversion factor (0.11700kg CO_2e per kWh)	39	46	2
UK office – facilities	Further electricity used for shared building services; conversion factor as above	4	5	2
Total gross tCO_2e		**43**	**51**	
Intensity ratio	**Gross tCO_2e per UK employee**	**0.101**	**0.115**	

Additional WaterAid carbon reporting				
UK office – purchased energy	*Alternative calculation using conversion factor of 0 based on WaterAid's use of a supplier with a 100% renewable fuel mix disclosure*	*0*	*0*	2
Printed materials	Carbon cost of printing and transport for mass distribution materials	564	617	3
Travel – WaterAid staff and volunteers	Employee and volunteer commuting, and business travel emissions, calculated using distance travelled and journey type	1,048	1,445	3
Other reported	Including purchased IT hardware and the use of leased vehicles	42	52	3
Total gross tCO_2e		**1,654**	**2,114**	
Intensity ratio	**Gross tCO_2e per UK employee**	**3.88**	**4.79**	

Tsalova and her grandson Zidane, Androy, Madagascar. July 2025.

WaterAid/Ernest Randriarimalala

WaterAid UK's Board of Trustees

The Board of Trustees governs the organisation in line with its Articles of Association, vision, mission, values, aims and charitable objectives and provides overall policy direction. The Board is responsible for compliance with the legal and statutory requirements of a UK charity and of a registered company.

We are committed to the highest standards of governance and seek to make continuous improvements in line with the principles set out in the Charity Governance Code (the Code). A review against the new Code was conducted during the year, overseen by the Audit & Risk Committee, ensuring WaterAid continues to operate within and develop high standards of governance.

Trustees serve a four-year term (renewable once). In occasional circumstances, these periods may be further extended to retain specific skills.

The Board of Trustees has four sub-committees:

- The Audit & Risk Committee promotes and safeguards the highest standards of integrity, financial reporting and internal control. It also oversees the organisation's risk management processes, IT and communications systems, capital spend projects, and internal and external audit. Significant activities over the year included approval of the internal audit plans and inspection of reports from the internal auditors, and scrutiny of the external audit report. The committee also reviewed and endorsed the financial statements.
- The Nominations and Governance Committee ensures candidates of the highest calibre are put forward for election to the Board of Trustees to achieve an appropriate and diverse mix of skills and experience across the Board as a whole. It also oversees and monitors any matters of governance that may be remitted to it. During the year, the committee conducted recruitment for new Trustees to join the Board. Four new Trustees were appointed during 2025–26.
- The People Committee reviews the development of our people management strategies, policies and practices, including our Salary Policy, with a particular focus on executive remuneration. Significant discussions over the year included our global employee engagement survey results, gender and ethnicity pay gaps, and the UK Employment Rights Bill 2025. The committee also endorsed annual pay awards across the different countries where WaterAid works.
- The Communications and Fundraising Committee oversees and monitors fundraising procedures, policies and activities. It also provides advice on activities that may pose financial, regulatory or reputational risk. During the year, the committee held deep-dive sessions on restricted income, AI, fundraising performance, Gift Aid, data protection and fundraising compliance.

All these committees have terms of reference published in the governance manual, which is on our website. An induction programme is held for Trustees joining the Board. Trustees are invited to participate in seminars with staff as well as being expected to visit our work in country programmes to familiarise themselves with our operations. As part of the development of the Board, a Board evaluation is held biennially and individual Trustees are performance assessed each year.

The members of the Board of Trustees who have served during the year are listed in the Board of Trustees section on page 56, together with the Royal Patron, Vice President and Executive Directors Team.

Day-to-day management of the charity is delegated by the Trustees to the Chief Executive.

The planning and reporting arrangements in place give Trustees confidence that the charity is being managed effectively.

Registers of Interests

We have a Conflicts of Interest Policy and Procedure, and a Register of Interests for all Trustees and Directors which is held by the Company Secretary.

Section 172 (1) Statement of Directors' duties

WaterAid is governed by the charitable objectives which set out the purpose and mission of the charity. The consequences of all decisions and activities of WaterAid are assessed by how they drive us towards achieving that long-term purpose. In making decisions, the Trustees have followed the Charity Commission's guidance on decision making (CC27), which sets principles that help ensure decisions are made lawfully, in good faith, and in the best interests of the charity. Trustees make decisions collectively and ensure that significant decisions are appropriately recorded. As Company Directors, the Trustees must act in accordance with duties outlined in section 172 of the Companies Act 2006, summarised as follows:

- **The impact of the company's operations on the community and the environment:**
  In agreement with all federation member boards, one of our global principles is for us to be a sustainable organisation. We have increased focus on the interlinkages between WASH and climate change to ensure we deliver sustainable and resilient WASH services for the communities that need them most. The UK, alongside all members of the federation, has committed to measurement criteria related to economic health, safeguarding and wellbeing of communities and staff, and environmental impact.
- **Maintaining a reputation for a high standard of business conduct:**
  The Board of Trustees supports the pace and sensitivity in which we are approaching the crucially important work on diversity, equity and empowerment. During the year, Hind Al-Khatib was appointed as our lead Trustee in this area, championing this work and encouraging, challenging and advising the Board and Directors on the integration of this work into our thinking. The Board receives regular updates on progress, supports our global commitments, and has agreed diversity objectives.
- **The interests of the company's employees:**
  Spending time with staff, both formally and informally, is important to Trustees. New Trustees receive face-to-face and virtual inductions with all departments. A programme of engagement is scheduled each year for the Board; this includes webinars and seminars, networking and Q&A sessions.
- **The need to foster the company's business relationships with suppliers, customers and others:**
  Engaging with stakeholders, both in the UK and the countries where WaterAid works, enables Trustees to gain useful insight which helps inform decision making. Trustees are expected to visit WaterAid's work and meet with partners and communities, as well as engage with supporters.
- **The need to act fairly between members of the company:**
  The Trustees are the sole members of the charity, and the charity is not run in the interests of the members but of the objectives of the charity. As a member of the WaterAid federation, Trustees work to ensure the work of WaterAid is well aligned with the rest of the federation.
- **The likely consequences of any decision in the long term:**
  Following a thorough, responsible and objective process, the Board approved the decision to exit from Niger, with phase-out expected to be completed by the end of September 2026. The exit enables WaterAid to concentrate its efforts where the biggest difference can be made with the resources and expertise available.

Glycellie Nyirahabimana, Bugesera district, Rwanda. August 2025.

WaterAid/Leslie Akimana

The activities and decision making of both the executive and the Board's sub-committees are an integral part of the way in which Trustees carry out their duty. As such, illustrations of how we comply with this duty are contained throughout this report.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of WaterAid for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year.

Under that law, the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company/group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charitable company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Section 418, Directors' reports shall include a statement, in the case of each Director in office at the date the Directors' report is approved, that:

(a) so far as the Trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
(b) they have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Board of Trustees approved the Trustees' Annual Report, including the Strategic Report, on 16 September 2026. Signed on its behalf by:

Andy Green CBE
Chair of the Board of Trustees
17 September 2026

Royal Patron
HM King Charles III [i]

Vice President
The Rt Hon Baroness Chalker of Wallasey [i]

Board of Trustees
Hind Al-Khatib (from September 2025)

Manuel Alvarinho (until September 2025)

Mamadou Biteye (until August 2025)

Alyson Clark[ii,iv]

Osward Chanda (from September 2025)

Ashvin Dayal

Andy Green CBE[iii,iv,v] Chair of the Board of Trustees and Chair of the People Committee

Nina Jasinski[iii,v] Vice Chair and Chair of the Communications and Fundraising Committee

Ruth Jefferson[ii] (from September 2025)

Simi Kamal[iv]

Richard Morris[v] (from September 2025)

Heidi Mottram CBE[iv] (until September 2025)

Sanjay Nair[ii] Treasurer

Mala Rao CBE[iii,iv] (until September 2025)

Guido Schmidt-Traub

Peter Simpson[ii]

Hilary Wild[ii] Chair of the Audit & Risk Committee

Chief Executive and Company Secretary
Tim Wainwright

i Honorary positions
ii Audit & Risk Committee member
iii Nominations and Governance Committee member
iv People Committee member
v Communications and Fundraising Committee member

Executive Directors Team
Amaka Godfrey, Executive Director of International Programmes

Syed Abdul Muntakim, Executive Director of Finance, Technology and Strategic Planning

Sol Oyuela, Executive Director of Global Policy and Campaigns

Rachel Westcott, Global Executive Director of People

Jennie York, Executive Director of Communications and Fundraising

Principal banker
Barclays Bank plc, 1 Churchill Place, London E14 5HP

Independent auditors
PricewaterhouseCoopers LLP, 1 Embankment Place, London WC2N 6RH

Principal solicitor
Bates, Wells and Braithwaite, 10 Queens Street Place, London EC4R 1BE

Company number
01787329

Charity numbers
288701 (England and Wales)
SC039479 (Scotland)

Registered office and operational address
6th floor, 20 Canada Square, London E14 5NN

Independent auditors' report to the members and trustees of WaterAid

Report on the audit of the financial statements

Opinion

In our opinion, WaterAid's group financial statements and parent charitable company financial statements (the financial statements"):

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2026 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

We have audited the financial statements, included within the Annual Report and accounts (the "Annual Report"), which comprise: the group and charity balance sheets as at 31 March 2026; the consolidated statement of financial activities (including consolidated income and expenditure account), charity statement of financial activities (including an income and expenditure account) and the consolidated cash flow statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the

group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and parent charitable company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Trustees' Annual Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included. Based on our work undertaken in the course of the audit, the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) require us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Annual Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Annual Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Annual Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees' responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under section 44(1) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and parent charitable company/industry, we identified that the principal risks of non-compliance with laws and regulations related to Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries. Audit procedures performed included:

- enquiring of management and the Board of Trustees, including consideration of any known or suspected instances of fraud and non-compliance with laws and regulations;
- reading minutes of meetings of the Board of Trustees and Board subcommittees, including the Audit and Risk Committee;
- reviewing any correspondence with regulators, including the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator;
- understanding and evaluating the group's control environment;
- identifying and testing journal entries, including journal entries posted with unusual account combinations to income or expenditure accounts;
- assessing the reasonableness of key accounting judgements and estimates; and
- assessing financial statements disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations made under those Acts (regulation 10 of The Charities Accounts (Scotland) Regulations 2006 (as amended) and 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.

Other required reporting

Matters on which we are required to report by exception

Under the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate and proper accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Daniel Chan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

London
17 September 2026

Consolidated statement of financial activities

(including consolidated income and expenditure account)
For the year ended 31 March 2026

	Note	Unrestricted £000	Restricted £000	2026 Total £000	Unrestricted £000	Restricted £000	2025 Total £000
Income from:							
Donations and legacies							
Donations	2	61,358	5,330	66,688	58,200	4,628	62,828
Grants of a general nature	2	5,692	-	5,692	3,586	-	3,586
Gifts in kind	2	142	-	142	322	-	322
Charitable activities							
Grant funding for specific activities	4	-	35,350	35,350	-	23,691	23,691
Other trading activities	3	837	99	936	528	-	528
Investment income		837	6	843	1,098	-	1,098
Other income		136	-	136	63	-	63
Total income		**69,002**	**40,785**	**109,787**	**63,797**	**28,319**	**92,116**
Expenditure on:							
Raising funds							
Raising grants, donations and legacies	5	28,081	436	28,517	25,514	367	25,881
Other trading activities	5	58	-	58	61	-	61
Charitable activities							
Supporting partners to deliver water, sanitation and hygiene	5	13,296	15,528	28,824	12,015	15,036	27,051
Strengthening national and local capacity to deliver services	5	13,433	12,591	26,024	13,394	9,330	22,724
Influencing policy in water, sanitation and hygiene	5	12,214	4,430	16,644	12,530	3,406	15,936
Supporting WaterAid globally	5	4,721	361	5,082	4,904	461	5,365
Total expenditure		**71,803**	**33,346**	**105,149**	**68,418**	**28,600**	**97,018**
Net income/(expenditure)		**(2,801)**	**7,439**	**4,638**	**(4,621)**	**(281)**	**(4,902)**
RECONCILIATION OF FUNDS							
Net movement in funds	21	**(2,801)**	**7,439**	**4,638**	**(4,621)**	**(281)**	**(4,902)**
Funds brought forward at 1 April	16	22,263	12,047	34,310	26,884	12,328	39,212
Total funds carried forward at 31 March	16	**19,462**	**19,486**	**38,948**	**22,263**	**12,047**	**34,310**

The statement of financial activities includes all gains and losses recognised during the year. There were no realised gains during the year on investment assets. All income and expenditure derive from continuing activities. The notes supporting the financial statements are on pages 65 to 87.

Charity statement of financial activities

(including an income and expenditure account)
For the year ended 31 March 2026

	Note	Unrestricted £000	Restricted £000	2026 Total £000	Unrestricted £000	Restricted £000	2025 Total £000
Income from:							
Donations and legacies							
Donations	2	61,358	5,330	66,688	58,200	4,628	62,828
Grants of a general nature	2	5,692	-	5,692	3,586	-	3,586
Gifts in kind	2	142	-	142	322	-	322
Charitable activities							
Grant funding for specific activities	4	-	35,350	35,350	-	23,691	23,691
Other trading activities	3	453	99	552	262	-	262
Investment income		837	6	843	1,098	-	1,098
Other income		462	-	462	268	-	268
Total income		**68,944**	**40,785**	**109,729**	**63,736**	**28,319**	**92,055**
Expenditure on:							
Raising funds							
Raising grants, donations and legacies	5	28,081	436	28,517	25,514	367	25,881
Charitable activities							
Supporting partners to deliver water, sanitation and hygiene	5	13,296	15,528	28,824	12,015	15,036	27,051
Strengthening national and local capacity to deliver services	5	13,433	12,591	26,024	13,394	9,330	22,724
Influencing policy in water, sanitation and hygiene	5	12,214	4,430	16,644	12,530	3,406	15,936
Supporting WaterAid globally	5	4,721	361	5,082	4,904	461	5,365
Total expenditure		**71,745**	**33,346**	**105,091**	**68,357**	**28,600**	**96,957**
Net income/(expenditure)		**(2,801)**	**7,439**	**4,638**	**(4,621)**	**(281)**	**(4,902)**
RECONCILIATION OF FUNDS							
Net movement in funds	21	**(2,801)**	**7,439**	**4,638**	**(4,621)**	**(281)**	**(4,902)**
Funds brought forward at 1 April	16	22,263	12,047	34,310	26,884	12,328	39,212
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The statement of financial activities includes all gains and losses recognised during the year. There were no realised gains during the year on investment assets. All income and expenditure derive from continuing activities. The notes supporting the financial statements are on pages 65 to 87.

Group and charity balance sheets

At 31 March 2026
Company number: 01787329

	Note	Group 2026 £000	Group 2025 £000	Charity 2026 £000	Charity 2025 £000
Fixed assets					
Intangible assets	9	262	1,121	262	1,121
Tangible assets	9	1,994	2,200	1,994	2,200
Fixed asset investments	12	232	182	-	-
Total fixed assets		**2,488**	**3,503**	**2,256**	**3,321**
Current assets					
Debtors	10	12,312	10,105	12,786	10,384
Cash at bank and in hand	13	30,073	29,378	29,817	28,955
Short-term deposits	13	5,858	3,731	5,858	3,731
Total current assets		**48,243**	**43,214**	**48,461**	**43,070**
Liabilities					
Creditors: amounts falling due within one year	14	(9,089)	(10,606)	(9,072)	(10,598)
Provision for liabilities and charges	15	(2,380)	(1,540)	(2,383)	(1,222)
Total liabilities		**(11,469)**	**(12,146)**	**(11,455)**	**(11,820)**
Net current assets		**36,774**	**31,068**	**37,006**	**31,250**
Provisions for liabilities and charges	15	(314)	(261)	(314)	(261)
Net assets		**38,948**	**34,310**	**38,948**	**34,310**
The funds of the charity					
Unrestricted income funds					
Designated funds	16	1,708	3,321	1,708	3,321
General income funds	16	17,754	18,942	17,754	18,942
Total unrestricted income funds		**19,462**	**22,263**	**19,462**	**22,263**
Restricted income funds	16	19,486	12,047	19,486	12,047
Total charity funds		**38,948**	**34,310**	**38,948**	**34,310**

The financial statements and notes on pages 61 to 87 form an integral part of these financial statements and were approved by the Board of Trustees on 16 September 2026 and signed on 17 September 2026 on its behalf by:

Andy Green
Chair

Sanjay Nair
Treasurer

Consolidated cash flow statement

For the year ended 31 March 2026

	2026 £000	2025 £000
Net income/(expenditure) for the year	4,638	(4,902)
Interest receivable	(843)	(1,098)
Amortisation of intangible assets	990	1,236
Depreciation of tangible assets	740	902
Loss on disposals of tangible assets	13	53
(Increase)/decrease in debtors	(2,207)	1,033
(Decrease)/increase in short-term creditors	(1,517)	4,065
Increase in long-term creditors	53	52
Increase in provisions	840	67
Cash generated from operating activities	**2,707**	**1,408**
Bank interest received	843	1,098
Payments to acquire tangible fixed assets	(547)	(293)
Payments to acquire intangible fixed assets	(131)	(182)
Purchase of fixed asset investment	(50)	-
Net cash provided by financing activities	**115**	**623**
Change in cash and cash equivalent in the year	**2,822**	**2,031**

Analysis of cash as shown in the balance sheet

	2026 £000	2025 £000
Cash and cash equivalents at the beginning of the year	33,109	31,078
Net cash inflow	2,822	2,031
Cash and cash equivalents at the end of the year	**35,931**	**33,109**

Cash and cash equivalents include funds held in short-term deposit accounts that can be accessed at short notice. The charity held no borrowings, related derivatives or obligations under finance leases during the year.

Cash and cash equivalents

	2026 £000	2025 £000
Cash at bank and in hand	30,073	29,378
Short-term deposits	5,858	3,731
Balance at 31 March	**35,931**	**33,109**

Analysis of changes in net debt

	At 1 April 2025 £000	Cash flows £000	At 31 March 2026 £000
Cash at bank and in hand	29,378	695	30,073
Short-term deposits	3,731	2,127	5,858
Total cash and cash equivalents	33,109	2,822	**35,931**

The notes on pages 65 to 87 form an integral part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2026

1. Accounting policies

The principal accounting policies have been applied consistently in dealing with items which are considered material in relation to WaterAid's financial statements.

WaterAid is incorporated in the United Kingdom (company number: 01787329) and is a registered charity in England, Wales and Scotland and is a public benefit entity. WaterAid's registered office and operational address is: WaterAid 6th Floor, 20 Canada Square, London E14 5NN.

a) Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS 102), effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006, the Charities Accounts (Scotland) regulations 2006 and Charities and Trustee Investment (Scotland) Act 2005, and under the historical cost accounting rules, except for investments which have been included at fair value or the value considered appropriate by the Board of Trustees.

The financial statements are drawn up on the going concern basis which assumes WaterAid will continue in operational existence for the foreseeable future (deemed to be a period of at least 12 months from the date the financial statements were authorised for issue).

b) Basis of consolidation
The group has three wholly owned subsidiaries and a 20% share in an associate. Consolidated financial statements for the group, being WaterAid, WaterAid Trading Limited and Resilient Water Accelerator Limited (which became active during the year) have been prepared on a line by line basis. One further subsidiary, WaterAid (WASH and Health) Limited was dormant for the whole of the financial year. Consolidation does not include WaterAid international as there is no ability to direct nor does it include dormant companies or other WaterAid members. Further details can be found in note 11. A 20% fixed asset investment in WeAreGoodGiving Ltd is treated as an associate and accounted for under the equity method with the consolidated accounts. A separate parent charity cash flow statement hasn't been presented.

The activities of the regional fundraising committees in England, Wales, Scotland and Northern Ireland raising funds for WaterAid are deemed to be part of the activities of the charity. As such, they are included in full in the financial statements of the charity and group.

c) Foreign exchange
Transactions denominated in foreign currencies are translated at the rate of exchange at the beginning of the month as an approximation to actual transaction dates. Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date. Realised and unrealised foreign exchange gains and losses are included within support costs and reallocated across charitable activities in the Statement of Financial Activities (SOFA) as per note 5.

d) Income
All income is included in the SOFA when the charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability:

- Grant income Grants are credited to the SOFA when the charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

  Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions have been met.

  Grants that have specific restrictions placed upon their use are included within income for charitable activities and are credited to restricted income within the SOFA on an entitlement basis. Unspent balances are carried forward within the relevant restricted fund.
- Grants of a general nature Income from grants of a general nature is from grant-making or public institutions and has no specific restrictions placed upon its use. Grants of a general nature are credited to unrestricted income within the SOFA on an entitlement basis and disclosed in note 2 if the donor has not requested to remain anonymous.
- Donations Individual donations are recognised in the period in which they are received or receivable.
- Pecuniary and residuary legacy income Legacy income is recognised when three criteria are met when entitlement is established, receipt of the income is probable, and it can be reliably measured:
  - Entitlement is established when named in the will and we receive notification of an interest in an estate.
  - Probability is based on grant of probate.
  - The estate is reliably measurable when the final estate accounts are received.

Notes to the financial statements

For the year ended 31 March 2026 (continued)

1. Accounting policies (continued)

Legacy income is only recognised in the financial statements when the above criteria are met.

Pecuniary legacies are a fixed value income and we accrue all open gifts once probate has been granted and notification received. Residuary legacies are accrued once final estate accounts have been approved and final payment confirmed or an interim payment has been confirmed.

- Other income Other income in the Group is income from disposal of fixed assets and in Charity is a Gift Aid donation by virtue of the Deed of Covenant and licence fee paid by WaterAid Trading.
- Investment income Investment income is bank interest received and is recognised when earned.
- Gifts in kind Goods, facilities and services donated for the charity's use, where the benefit is quantifiable and the goods or services would otherwise have had to be purchased, are recognised in the financial statements, as both income and expenditure, at a reasonable estimate of their value in the period in which they are donated.
- Fundraising events Fundraising events income is included in donation and legacies income as the funds received are by nature donations rather than funds paid to gain a benefit. Event income to which the charity has a legal entitlement and that is being held by a third party agent is recognised on a receivable basis. Fundraising event income received in advance are deferred until the event has taken place.

e) Expenditure
Expenditure is recognised in the period in which it is incurred on an accruals basis. Expenditure includes attributable VAT which can only be partially recovered.

Costs of charitable activities include direct expenditure incurred through grants to partners and operational activities together with associated support costs. Charitable expenditure is reported as it relates to work undertaken by the charity, in supporting partners, sector strengthening, capacity building and influencing policy to deliver water, sanitation and hygiene, and supporting WaterAid globally.

Grants are recognised in the period in which they are payable. Grants payable in furtherance of the charity's objects are attributed to the related classification heading in the SOFA. Partner agreements and funding contracts may be for longer than one year.

The costs of raising funds relate to the costs incurred by the group and the charity in raising funds for the charitable work.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. Support costs comprise the salary and overhead costs of the central function. The central function includes costs relating to the Departments of Finance, Facilities, Information Services, People and the Chief Executive's Office. Governance costs include internal and external audit costs, legal and tax advice, Trustee expenses and Directors' time spent on the governance of the organisation. Governance costs and other support costs have been allocated to expenditure on charitable activities based upon full time equivalent staff numbers. These staff numbers are listed in note 6.

f) Fund accounting
General unrestricted funds are the funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes, nor had any specific restrictions applied.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in note 16.

Restricted funds are used for specified purposes as laid down by the donor. Qualifying project expenditure is allocated to the fund, together with a proportion of overhead costs where agreed by the donor. Negative balances are carried forward on funds only where further income is considered highly probable in the following year.

g) Fixed assets and depreciation
Tangible and intangible fixed assets are stated at historic cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure on an asset is only capitalised where is provides an enhancement of the economic benefits of the asset. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation periods in use on a straight line basis are as follows:

Motor vehicles	3 years
Equipment and furniture UK and overseas	3 years
Computer hardware and software	3 years
Lease improvements	10 years

Section 3
Financial statements

Notes to the financial statements

For the year ended 31 March 2026 (continued)

1. Accounting policies (continued)

Items of equipment are capitalised where the purchase price exceeds £1,500. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use, and they meet the capitalisation criteria as per FRS 102.

h) Investment policy
The group's investment in an associate company is measured at cost less impairment. If there is any indication of impairment then the carrying amount will be tested and adjusted accordingly (note 12).

i) Financial instruments
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are listed in Table 7 of the Charities SORP and are initially recognised at transaction value and subsequently measured at their settlement value (note 23).

j) Investments
The investment in the subsidiaries is valued at cost.

Donated shares which are freely tradable are included at the market valuation at the balance sheet date. Shares are not intended to be held as investments and are sold as soon as practically possible and proceeds recognised as income.

k) Cash at bank and in hand
Cash at bank and in hand is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. A cash equivalent will normally have a short maturity of six months or less from the date of acquisition.

l) Pension cost
The charity operates a defined contribution pension scheme for UK staff. The assets of the scheme are held separately from those of the charity in independently administered funds. Contribution payments are charged to the SOFA. Similarly our staff in country programmes and regions are provided with post employment benefits that comply with local employment legislation.

m) Operating leases
Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA on a straight line basis for the duration of the lease contract.

n) Provision for liabilities and charges
Provisions for future liabilities are recognised when the charity has a legal or constructive financial obligation that can be reliably estimated and for which there is an expectation that payment will be made.

o) Critical accounting judgements and estimation uncertainty
Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Accounting estimates and judgements with significant impact on financial statements are concerned with grant, legacy and gift in kind income. These and other estimates and judgements are listed below. It is the opinion of the Trustees that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical judgements in applying the Group's accounting policies
The Charity has through its trading company a 20% shareholding in WEAREGOODGIVING, a payroll giving company. The Charity does not have the power to significantly influence financial and reporting decisions made by WEAREGOODGIVING, therefore, the share capital has been classified as an investment in the accounts (note 12).

For grant income, entitlement is dependent upon fulfilment of conditions within the charity's control. The income is recognised when there is sufficient evidence that conditions have been met. This judgement is made based on the income being reliably measured and probable based on contracted terms and progress made against agreed donor outcomes.

An assessment was made as to whether WaterAid is acting as a principal or an agent in its contractual relationship with its subsidiary, the Resilient Water Accelerator Limited (RWA), which commenced activities this year. The assessment considered the SORP principal versus agent criteria, the terms of the Head Grant and Sub-Grant agreements between WaterAid, FCDO and RWA ,and supporting legal opinion. We concluded that WaterAid retains primary responsibility for the delivery of services, has the authority to direct RWA, and remains accountable to the FCDO, thus fulfilling the key indicators outlined in the SORP for acting as a principal. Related income and expenditure has been accounted for accordingly.

Notes to the financial statements

For the year ended 31 March 2026 (continued)

1. Accounting policies (continued)

Critical accounting estimates and assumptions

WaterAid's estimate of legacy income entitlement is based on the following policy:

Pecuniary legacies are a fixed value income and we accrue all open gifts once probate has been granted and notification received.

Residuary legacies often involve the sale of assets such as stocks and property that vary over time and therefore WaterAid maintains a policy of only recognising the income from these legacies once final estate accounts have been issued. This is when the value is known with a high degree of probability and is a prudent interpretation of the SORP 2019. This interpretation is considered to be appropriate by the Trustees in the context of WaterAid and has been consistently applied year on year. Those residuary legacies that do not meet recognition criteria are disclosed as part of the legacy pipeline as per note 2. Future residuary legacy income is based on a calculated estimate of the average value of a residuary gift. A less prudent policy to recognising residuary legacy income would be based on draft estate accounts which would increase income and decrease the pipeline value by £1.5m (2025: £3m).

The estimated cost for dilapidations work to be completed at the end of the lease period for the UK office building is recorded annually as a provision. We have made a provision for cost of dilapidations up to 2026 of £314k (2025: £261k).

Where WaterAid staff members are involved in more than one activity between raising funds, delivery of charitable activities or support and governance, an estimate of their time spent on each is made and costs allocated accordingly. An increase in time allocation to support and governance of 5% would increase expenditure in support and governance and reduce expenditure on charitable activities by £665k in 2026 (2025: £562k). WaterAid also estimates that support and governance costs are most reasonably allocated to raising funds and charitable activities in proportion to the respective levels of expenditure (note 5).

Going concern assumptions

As required by the Charities Statement of Recommended Practice (FRS 102), we assess whether there are any uncertainties that may cast doubt over our ability to continue as a going concern. For this purpose, we focus on a period of 18 months following the signing of these accounts, so the period to at least the end of March 2028.

Our annual budget and plan, presented to the Board in March 2026, represents management and the Board's best forecast of the fundraising targets and key income streams, alongside the expected cost base. The Board approved the annual budget for the year ending 31 March 2027 on that basis.

This budget forms the base case for our going concern assessment. In addition, we have undertaken scenario modelling to understand the impact of various income downsides and cost pressures on our future expenditure both at a UK and country programme level. We have modelled several scenarios that when compared to the budget assumptions reflect lower income and a higher cost base.

We have also prepared a 'severe but plausible downside' scenario, which combines high inflation with other economic pressures affecting stock and property prices, a material reduction in regular giving and no continued funding received from key donors.

Although the impact of the above mentioned scenario is severe and would require the consideration of mitigating actions to reduce our discretionary cost base, the analysis indicates that the Group would have sufficient liquidity and reserves to honour our committed funding obligations and to maintain sufficient liquidity throughout the going concern period.

Robust monitoring processes are in place to ensure that the organisation is able to react quickly to any downturn in income and the short-term deposit investments held can be liquidated quickly in the event that they are required. The Group currently has no bank financing or loan agreements and therefore there are no covenants to consider.

For 2026–27, the Group is aiming its reserves level to be within a range of £13m–£15m with a minimum target of £12.9m. As at 31 March 2026 the Group had managed cash and short-term deposits of £35.9m (2025: £33.1m), well above our level of contractual commitments.

Taking into account our current position, our principal risks, and analysis on a severe but plausible downside scenario, the Trustees have a reasonable expectation that the Charity will be able to continue in operation and meet its liabilities as they fall due over the medium term. Accordingly, the Group expects to continue to have access to sufficient liquid resources to meet its obligations for a period of at least 18 months after the approval of these financial statements, namely the period to at least the end of March 2028, and the Board therefore continues to adopt the going concern basis of accounting in preparing the financial statements.

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For the year ended 31 March 2026 (continued)

2. Income from donations and legacies – Group and Charity

	Unrestricted £000	Restricted £000	2026 Total £000	Unrestricted £000	Restricted £000	2025 Total £000
Donations						
Regular giving, donations and appeals	41,697	1,942	43,639	42,469	2,657	45,126
Legacy income	18,183	1,818	20,001	14,195	131	14,326
Fundraising events	1,478	1,570	3,048	1,536	1,840	3,376
Total donations	**61,358**	**5,330**	**66,688**	**58,200**	**4,628**	**62,828**
Grants of a general nature						
Other WaterAid member countries	2,619	-	2,619	586	-	586
Postcode Lottery (formerly People's Postcode Lottery)	3,000	-	3,000	3,000	-	3,000
Ernst & Young LLP (US)	73	-	73	-	-	-
Total grants of a general nature	**5,692**	**-**	**5,692**	**3,586**	**-**	**3,586**
Gifts in kind						
Water industry partnerships	65	-	65	143	-	143
Customer appeal	8	-	8	84	-	84
Audit fees	69	-	69	62	-	62
IT Infrastructure	-	-	-	33	-	33
Total gifts in kind	**142**	**-**	**142**	**322**	**-**	**322**
Total	**67,192**	**5,330**	**72,522**	**62,108**	**4,628**	**66,736**

At 31 March 2026, WaterAid had been notified it will benefit from a number of legacies from estates whereby the value of the gift can only be estimated and timing of receipt of funds is uncertain. In addition to £1.8m (2025: £1.2m) of legacy income accrued in the financial statements as per our policy in note 1 (d) we estimate a further £23.9m (2025: £19.2m) of future legacy income. This pipeline value has not been recognised as income during the financial year as a significant proportion of the value relates to investments or property prices which can vary significantly between notification and receipt of funds. Conditional or contingent legacy income is not included in the pipeline where the outcome of the conditions can't be reliably ascertained. Contentious legacies are excluded from the pipeline until entitlement is legally established.

Gifts in kind provided by our water industry partners relate to support for fundraising events and delivery of charitable activities (customer appeal relates to printing services). The auditors remuneration excluding VAT was £128k (2025: £112k) and they also provided donated services of £69k (2025: £62k) by way of a subsidy allocation. See note 21 for more detailed information. The subsidy allows the firm to provide audit services at a reduced fee while still ensuring the financial performance of the audit is sustainable.

3. Other trading activities – Group and Charity

	Unrestricted £000	Restricted £000	2026 Total £000	Unrestricted £000	Restricted £000	2025 Total £000
Lotteries	453	-	453	262	-	262
Trading company	384	-	384	266	-	266
Ministry of Foreign Affairs (Netherlands)	-	99	99	-	-	-
Total	**837**	**99**	**936**	**528**	**-**	**528**

The income from Ministry of Foreign Affairs (Netherlands) was for Resilient Water Accelerator project activities.

Notes to the financial statements

For the year ended 31 March 2026 (continued)

4. Income from charitable activities – Group and Charity

Grant funding for specific activities	2026 Total £000	2025 Total £000
Other WaterAid member countries	**18,198**	9,109
The Foreign, Commonwealth and Development Office (FCDO)*	**5,600**	3,232
Swiss Agency for Development and Cooperation	**2,865**	1,417
Swedish International Development Cooperation Agency	**1,586**	1,106
Punjab Rural Municipality Services Co	**1,239**	490
DP World	**1,045**	1,000
UNICEF	**655**	325
Sunflower Charitable Foundation	**609**	-
Wimbledon Foundation	**550**	555
Jersey Overseas Aid	**489**	252
Armani beauty	**392**	740
European Commission	**376**	-
Enabel Belgian Development Agency	**358**	-
Unilever	**240**	170
London School of Hygiene and Tropical Medicine	**215**	265
Sustainable Climate Impact Fund	**189**	-
Diageo	**163**	314
Kimberley-Clark	**-**	948
Austrian Development Agency	**-**	748
Japan International Cooperation Agency	**-**	679
Adaptation Fund	**-**	559
CUMMINS NIGERIA	**66**	331
GSK	**-**	199
Global Center on Adaptation	**17**	178
Other grants	**498**	1,074
Total	**35,350**	**23,691**

UK Aid Match – Promoting a gender responsive, climate resilient WASH in drought-prone communities in Ethiopia	47	410
Gender and Adolescent Inclusive School in Nepal	540	675
WASH Systems for Health – South Asia	1,787	308
Just Water Security Transition initiative	3,226	1,758
One WASH	-	81
***UK Aid received directly from the Foreign, Commonwealth and Development Office (FCDO)**	**5,600**	**3,232**

Grant funding for specific activities from other WaterAid member countries included £8.9m (2025: £nil) TeamWater funding from WaterAid America.

Grant funding for specific activities is displayed where total funding was greater than £150k for the current year or prior year.

Additional information on transactions with other WaterAid member countries can be found in note 22.

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For the year ended 31 March 2026 (continued)

5. Expenditure – Group and Charity

	Note	Staff costs £000	Other direct costs £000	Amortisation and depreciation £000	Allocation of support and governance costs £000	2026 £000	2025 £000
Raising funds							
Raising grants, donations and legacies		9,224	16,402	436	2,455	28,517	25,881
Other trading activities		25	33	-	-	58	61
		9,249	**16,435**	**436**	**2,455**	**28,575**	**25,942**
Charitable activities	7						
Supporting partners to deliver water, sanitation and hygiene		10,746	14,232	498	3,348	28,824	27,051
Strengthening national and local capacity to deliver services		8,761	12,533	161	4,569	26,024	22,724
Influencing policy in water, sanitation and hygiene		6,074	8,087	185	2,298	16,644	15,936
Supporting WaterAid globally		-	4,915	-	167	5,082	5,365
		25,581	**39,767**	**844**	**10,382**	**76,574**	**71,076**
Governance		427	132	-	(559)	-	-
Support costs		5,001	6,827	450	(12,278)	-	-
Governance and support costs		**5,428**	**6,959**	**450**	**(12,837)**	**-**	**-**
		40,258	**63,161**	**1,730**	**-**	**105,149**	**97,018**

Governance and support costs have been allocated on the basis of actual full time equivalent staff numbers over the year in each area of activity. These staff numbers are listed in note 6.

The governance and support costs and loss on exchange rates were incurred as follows:	2026 Total £000	2025 Total £000
Finance, people and information services	9,617	9,323
Chief Executive Office, internal audit and governance	559	1,115
Premises and facilities	1,854	1,814
Strategy transition	-	22
Gifts in kind	69	64
Support costs	**12,099**	**12,338**
Realised and unrealised exchange loss on assets	738	194
Total of governance and support costs and exchange loss	**12,837**	**12,532**

The exchange rate movement is the net of the operational (gains)/losses incurred in delivering our services funded in GBP in local currencies and the (gains)/losses made on asset values held in currencies other than GBP.

The decrease in the Chief Executive Office, internal audit and governance costs was due to moving the legal and compliance function to the Finance, Technology and Strategic Planning directorate.

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For the year ended 31 March 2026 (continued)

Prior year expenditure

	Note	Staff costs £000	Other direct costs £000	Amortisation and depreciation £000	Allocation of support and governance costs £000	**2025 £000**
Raising funds						
Raising grants, donations and legacies		8,341	14,595	553	2,392	**25,881**
Other trading activities		30	31	-	-	**61**
		8,371	**14,626**	**553**	**2,392**	**25,942**
Charitable activities	7					
Supporting partners to deliver water, sanitation and hygiene		9,497	13,983	596	2,975	**27,051**
Sector strengthening and capacity building to deliver water, sanitation and hygiene		7,626	9,850	185	5,063	**22,724**
Influencing policy in water, sanitation and hygiene		5,968	7,787	232	1,949	**15,936**
Supporting WaterAid globally		178	5,034	-	153	**5,365**
		23,269	**36,654**	**1,013**	**10,140**	**71,076**
Governance		945	170	-	(1,115)	**-**
Support costs		4,429	6,415	573	(11,417)	**-**
Governance and support costs		5,374	6,585	573	(12,532)	**-**
		37,014	**57,865**	**2,139**	**-**	**97,018**

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For the year ended 31 March 2026 (continued)

6. Staff costs and numbers

Staff costs for the charity and group were as follows:

	2026 £000	**2025 £000**
Wages and salaries	34,139	31,852
Social security costs	2,357	1,792
Other pension costs	3,762	3,370
	40,258	**37,014**

The increase in 2026 staff costs reflect the higher contribution to social security due to the increased rate by UK Government.

The number of employees, calculated on a full time equivalent basis and analysed on a functional basis, was as follows:

	2026 No.	**2025 No.**
Fundraising staff (cost of generating funds)	163	160
Staff delivering charitable activities	678	669
Support staff	87	78
Governance	13	15
	941	922

The average monthly headcount was 951 staff (2025: 933). The total number of WaterAid employees at 31 March 2026 was 946 (2025: 949).

The charity paid termination payments totalling £346k (2025: £187k). The majority relates to severance payments due to change management and structural changes to align with strategic programme direction.

The number of UK and overseas employees whose total benefits, excluding employer pension and employer national insurance costs, amounted to over £60,000 in the year was as follows:

	2026 No.	**2025 No.**
£60,000–£69,999	63	51
£70,000–£79,999	24	22
£80,000–£89,999	13	15
£90,000–£99,999	8	5
£100,000–£109,999	4	3
£110,000–£119,999	5	2
£120,000–£129,999	1	1
£130,000–£139,999	1	2
	119	**101**

The total employee benefits paid to the Chief Executive were salary and taxable benefits in kind (including employer national insurance contributions) of £148,357 (2025: £142,110) and pension contributions of £16,345 (2025: £16,124). The Chief Executive's salary is shown in the table above net of employer national insurance contributions of £13,692 (2025: £10,409).

In the UK, WaterAid makes contributions for its employees to a defined contribution scheme operated by Aegon.

The key management personnel of the charity comprise the Trustees, the Chief Executive and the Executive Directors Team. The total employee salary and benefits (including employer national insurance contributions but excluding pension) of the key management personnel of the group was £776k (2025: £764k). The number of key management personnel was six (2025: six).

Notes to the financial statements

For the year ended 31 March 2026 (continued)

7. Charitable activities expenditure by location

	Unrestricted £000	Restricted £000	2026 Total £000	Unrestricted £000	Restricted £000	2025 Total £000
West Africa						
Burkina Faso	524	1,116	1,640	851	751	1,602
Ghana	(47)	2,117	2,070	460	1,305	1,765
Liberia	784	471	1,255	639	516	1,155
Mali	1,262	411	1,673	954	1,155	2,109
Niger	484	297	781	350	842	1,192
Nigeria	662	3,428	4,090	491	2,003	2,494
Regional management and support costs	1,001	1	1,002	1,002	46	1,048
	4,670	7,841	12,511	4,747	6,618	11,365
East Africa						
Ethiopia	1,346	1,078	2,424	1,154	1,204	2,358
Rwanda	616	2,282	2,898	750	2,070	2,820
Tanzania	902	999	1,901	1,089	416	1,505
Uganda	889	1,538	2,427	796	2,060	2,856
Regional management and support costs	739	(2)	737	1,089	8	1,097
	4,492	5,895	10,387	4,878	5,758	10,636
Southern Africa						
Madagascar	887	447	1,334	1,037	674	1,711
Malawi	862	1,664	2,526	172	1,821	1,993
Mozambique	995	1,578	2,573	1,162	1,052	2,214
Zambia	1,081	703	1,784	1,024	350	1,374
Regional management and support costs	855	-	855	679	177	856
	4,680	4,392	9,072	4,074	4,074	8,148
Asia						
Bangladesh	894	5,370	6,264	688	4,254	4,942
Nepal	621	1,534	2,155	677	1,619	2,296
Pakistan	686	1,347	2,033	872	1,724	2,596
Regional management and support costs	545	1,094	1,639	624	361	985
	2,746	9,345	12,091	2,861	7,958	10,819
UK and other						
Supporting WaterAid globally	4,579	336	4,915	4,768	444	5,212
Other UK direct international programme support costs (including technical and programme effectiveness)	6,241	346	6,587	4,329	1,687	6,016
UK-based policy, campaigns and education costs	7,354	3,081	10,435	6,877	1,775	8,652
Allocated UK support costs to charitable activities	10,207	176	10,383	10,171	(32)	10,139
Exchange losses/(gains)	72	121	193	140	(51)	89
	28,453	4,060	32,513	26,285	3,823	30,108
Total	**45,041**	**31,533**	**76,574**	**42,845**	**28,231**	**71,076**

The total spend on charitable activities, as per the consolidated statement of financial activities, was £54.8m (2025: £49.7m) on delivery of water, sanitation and hygiene, including sector strengthening, and £16.6m (2025: £15.9m) on influencing policy in water, sanitation and hygiene.

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For the year ended 31 March 2026 (continued)

8. Payments to partner organisations

WaterAid has transferred a total of £8.3m (2025: £7.6m) to partners for the delivery of some of our programmatic work for the year ended 31 March 2026. Funding was provided to 78 (2025: 76) different partners under separate partnership agreements.

Transfer has been made to partners as follows:	2026 No.	2025 No.
£0–£49,999	45	46
£50,000–£99,999	15	11
£100,000–£149,999	4	3
£150,000–£199,999	3	7
£200,000–£249,999	2	1
£250,000 and over	9	8
	78	**76**

The top 20 implementing partner financial recipients during the year ended 31 March 2026 and 2025 are listed below. The implementation costs are included in the charitable expenditure outlined in notes 5 and 7.

	Name of partner	2026 £000	2025 £000
1	Rupantar	1,063	493
2	Les Compagnons Fontaniers du Rwanda	914	763
3	Bauchi Rural Water Supply and Sanitation Agency	583	168
4	Nabolok	583	601
5	Dushtha Shasthya Kendra – DSK	475	455
6	Eco-Social Development Organization – ESDO	412	170
7	AYATEKE Star Company LTD	310	442
8	Sanivation Limited	270	-
9	Dalit Janakalyan Yuwa Club	265	173
10	Backward Society Education (BASE)	228	536
11	Associacao COMUSANAS	215	-
12	Association des Mains Unies du Sahel	181	-
13	Swisscontact	165	99
14	Village Education Resource Center – VERC	162	219
15	SKS Foundation	123	-
16	Sajida Foundation	122	144
17	ONG Solidarité Plurielle	116	-
18	PRISM COMMUNICATION LIMITED	109	-
19	APROFEM	93	353
20	Rwanda Wildlife Conservation Association (RWCA)	92	-
	Other partners	1,808	2,964
Total payments to implementing partners		**8,289**	**7,580**

Notes to the financial statements

For the year ended 31 March 2026 (continued)

9. Fixed assets

Group and Charity	Intangible assets		Tangible assets				
	Software £000	Total intangible assets £000	Lease improvements £000	Motor vehicles £000	Equipment and furniture £000	Total tangible assets £000	2026 £000
Cost							
At 1 April 2025	5,924	5,924	2,464	3,312	1,957	7,733	13,657
Additions in year	131	131	-	374	173	547	678
Disposals in year	-	-	(20)	(212)	(275)	(507)	(507)
At 31 March 2026	**6,055**	**6,055**	**2,444**	**3,474**	**1,855**	**7,773**	**13,828**
Accumulated amortisation/ depreciation							
At 1 April 2025	4,803	4,803	1,107	2,912	1,514	5,533	10,336
Charge for the year	990	990	243	290	207	740	1,730
Disposals in year	-	-	(10)	(210)	(274)	(494)	(494)
At 31 March 2026	**5,793**	**5,793**	**1,340**	**2,992**	**1,447**	**5,779**	**11,572**
Net book value							
At 31 March 2026	**262**	**262**	**1,104**	**482**	**408**	**1,994**	**2,256**
At 31 March 2025	1,121	1,121	1,357	400	443	2,200	3,321

Prior year fixed assets

Group and Charity	Intangible assets		Tangible assets				
	Software £000	Total intangible assets £000	Lease improvements £000	Motor vehicles £000	Equipment and furniture £000	Total tangible assets £000	2025 £000
Cost							
At 1 April 2024	6,724	6,724	2,464	3,488	2,048	8,000	14,724
Additions in year	182	182	-	185	108	293	475
Disposals in year	(982)	(982)	-	(361)	(199)	(560)	(1,542)
At 31 March 2025	**5,924**	**5,924**	**2,464**	**3,312**	**1,957**	**7,733**	**13,657**
Accumulated amortisation/ depreciation							
At 1 April 2024	4,501	4,501	861	2,928	1,397	5,186	9,687
Charge for the year	1,236	1,236	246	333	323	902	2,138
Disposals in year	(934)	(934)	-	(349)	(206)	(555)	(1,489)
At 31 March 2025	**4,803**	**4,803**	**1,107**	**2,912**	**1,514**	**5,533**	**10,336**
Net book value							
At 31 March 2025	**1,121**	**1,121**	**1,357**	**400**	**443**	**2,200**	**3,321**
At 31 March 2024	2,223	2,223	1,603	560	651	2,814	5,037

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For the year ended 31 March 2026 (continued)

10. Debtors

Amounts due within one year:	Group		Charity	
	2026 £000	2025 £000	2026 £000	2025 £000
Amounts owed by WaterAid Trading Limited	-	-	726	379
Amounts owed by WaterAid international	153	86	153	86
Amounts owed by other WaterAid members	201	-	201	-
Amounts owed by Resilient Water Accelerator	-	-	99	-
Grant debtors	3,580	3,290	3,580	3,290
Other debtors	1,506	1,129	1,155	1,029
Gift Aid tax recoverable	1,226	849	1,226	849
Prepayments	1,679	1,748	1,679	1,748
Accrued income	3,967	3,003	3,967	3,003
Amounts due within one year	**12,312**	**10,105**	**12,786**	**10,384**

Amounts owed by WaterAid Trading Limited and Resilient Water Accelerator Limited are unsecured, interest free, have no fixed date of repayment and are payable on demand. Other debtors consist of mainly advance payments to partners and contractors for programmatic activities.

Notes to the financial statements

For the year ended 31 March 2026 (continued)

11. Group companies

WATERAID TRADING LIMITED Company number 02362892

WaterAid Trading Limited is incorporated in England and Wales (company number: 02362892). WaterAid Trading Limited's registered office and operational address is: WaterAid, 6th Floor, 20 Canada Square, London E14 5NN.

a) Profit and loss account	**2026 £000**	**2025 £000**
Turnover	384	262
Cost of sales	(10)	(8)
Gross profit	**374**	**254**
Administrative and selling expenses	(48)	(52)
Operating profit	**326**	**202**
Interest receivable	-	3
Profit	**326**	**205**
Corporation tax	-	-
Gift Aid to WaterAid under Deed of Covenant	(326)	(205)
Retained earnings	**-**	**-**

b) Balance sheet	**2026 £000**	**2025 £000**
Non-current assets		
Investment in associated companies:		
WEAREGOODGIVING Ltd	232	182
	232	**182**
Current assets		
Debtors	353	103
Cash at bank and in hand	158	102
	511	**205**
Creditors		
Amounts due within one year	(743)	(387)
Net assets	**-**	**-**
Represented by:		
Share capital	**-**	**-**

WaterAid Trading Limited has a share capital of two £1 ordinary shares (2025: two £1 ordinary shares)

A deed of covenant is in place whereby all profits generated by the company are distributed to the parent charity in the form of a 'Gift Aid donation'.

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For the year ended 31 March 2026 (continued)

RESILIENT WATER ACCELERATOR Limited: Company number 12508772

Resilient Water Accelerator Limited ('the company' or 'RWA') is a private company limited by guarantee without share capital incorporated in the United Kingdom (Company Number 12508772) having its registered office in England and Wales. The company's name was changed from WATERAID (WASH AND CLIMATE CHANGE) LIMITED to Resilient Water Accelerator Limited and became active from 1 August 2025. The company is a wholly owned subsidiary of WaterAid, a registered charity and company limited by guarantee (Charity Number 288701, Company Number 01787329). WaterAid is the company's parent undertaking. The company's registered office is 20 Canada Square, London E14 5NN. The company was established to mobilise private and public finance for climate-resilient water infrastructure and services in low- and middle-income countries. Its main activity in 2026 was to deliver the Just Transitions for Water Security ('JTWS') programme funded ultimately by the UK Foreign, Commonwealth and Development Office ('FCDO').

a) Profit and loss account	**2026 £000**	**2025 £000**
Turnover	2,300	-
Cost of sales	(1,623)	-
Gross profit	**677**	**-**
Administrative and selling expenses	(677)	-
Operating result	**-**	**-**
Result on ordinary activities	-	-
Retained earnings	**-**	**-**

b) Balance sheet	**2026 £000**	**2025 £000**
Current assets		
Cash at bank and in hand	99	-
Creditors		
Amounts due within one year	(99)	-
Net assets	**-**	**-**
Represented by:		
Share capital	**-**	**-**

Wholly owned subsidiary

WATERAID (WASH AND HEALTH) LIMITED Company number 12508779

Registered Office 6th floor, 20 Canada Square, London E14 5NN

WaterAid (Wash and Health) Limited was incorporated in England and Wales on 10 March 2020 for the purpose of funding lotteries. It is guaranteed by WaterAid, without share capital, and WaterAid holds 100% of the voting rights and has the right to appoint a majority of the board of directors. In accordance with sections 394A and 448A of the Companies Act 2006, Directors confirm that WaterAid (WASH and Health) Limited Company number 12508779 was dormant throughout the financial year. Directors are exempt from the requirement to deliver a copy of the company's annual financial statements in accordance with these sections.

Notes to the financial statements

For the year ended 31 March 2026 (continued)

12. Fixed asset investment – Group

WaterAid Trading Limited invested £82k in March 2022 for a 20% shareholding in a payroll giving company: WEAREGOODGIVING Ltd with registered company number 13256341. An additional £100k was invested in February 2023 and a further £50k in June 2024 to facilitate a number of key product developments and staff resourcing. The other equal shareholders are four other charities. The company was set up with an independent managing director and three non-executive directors nominated from the charities. In addition to the articles of association, the company governance is established by the Subscription and Shareholding Agreement. There were no distributions in the financial year. The carrying value of the asset is £232k (see table below).

Cost	**2026 £000**	**2025 £000**
At 1 April	182	182
Investment in year	50	-
Net book value at 31 March	**232**	**182**

13. Cash at bank and in hand

	Group		**Charity**	
	2026 £000	**2025 £000**	**2026 £000**	**2025 £000**
Cash and bank balances in UK	27,606	26,579	27,449	26,156
Cash and bank balances overseas	2,467	2,799	2,368	2,799
Short-term deposits in UK	5,858	3,731	5,858	3,731
	35,931	**33,109**	**35,675**	**32,686**

The short-term deposits are readily convertible to cash with insignificant risk to change in value.

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For the year ended 31 March 2026 (continued)

14. Creditors: amounts falling due within one year

	Group		**Charity**	
	2026 £000	**2025 £000**	**2026 £000**	**2025 £000**
Amount due to WaterAid international	-	570	-	570
Amount due to other WaterAid members	339	-	339	-
Trade creditors	4,114	5,384	4,114	5,384
Taxation and social security	1,056	1,001	1,056	1,001
Other creditors	774	941	774	941
Accruals	2,640	2,544	2,623	2,536
Deferred income	166	166	166	166
	9,089	**10,606**	**9,072**	**10,598**

The movements in deferred income are analysed as follows:

Group and Charity	**2026 £000**	2025 £000
Deferred income at the beginning of the year	166	203
Amounts released from previous years	(166)	(203)
Income deferred in the year	166	166
Deferred income at the end of the year	**166**	**166**

15. Provision for liabilities and charges

	Group		**Charity**	
	2026 £000	2025 £000	**2026 £000**	2025 £000
Provision falling due under one year				
Provision at beginning of the year	1,540	1,473	1,222	1,154
Amount charged to statement of financial activities	2,971	1,643	3,292	1,643
Amount released to statement of financial activities	(2,131)	(1,576)	(2,131)	(1,575)
Provision at the end of the year	**2,380**	**1,540**	**2,383**	**1,222**
Provision falling due more than one year				
Dilapidation provision	314	261	314	261
	314	**261**	**314**	**261**

Provisions include end of contract provisions for staff on non-UK contracts and contract retention amounts on programme construction works. Contract provisions for staff include lump sums paid at the end of contract, similar to a pension scheme and/or loyalty payment which is paid on full completion of service. Dilapidation provision is charged for the rental of office space in the UK at 20 Canada Square, London E14 5NN.

16. Movements in funds – Group and Charity

	At April 2025 £000	Income £000	Expenditure £000	At 31 March 2026 £000
Unrestricted funds:				
Designated funds: fixed assets fund	3,321	117	(1,730)	1,708
Total designated funds	**3,321**	**117**	**(1,730)**	**1,708**
General funds	18,942	68,885	(70,073)	17,754
Total unrestricted funds	**22,263**	**69,002**	**(71,803)**	**19,462**
Restricted funds:				
Bangladesh	2,061	9,304	(5,787)	5,578
Burkina Faso	5	1,591	(1,131)	465
East Africa region	(4)	4	-	-
Ethiopia	807	1,905	(1,205)	1,507
Ghana	505	2,015	(2,164)	356
Liberia	161	424	(477)	108
Madagascar	403	517	(511)	409
Malawi	734	1,045	(1,714)	65
Mali	34	642	(397)	279
Mozambique	747	3,419	(1,630)	2,536
Myanmar	22	-	(22)	-
Nepal	849	1,690	(1,644)	895
Niger	19	350	(300)	69
Nigeria	2,853	4,156	(3,549)	3,460
Pakistan	(171)	1,864	(1,366)	327
Rwanda	1,269	3,310	(2,415)	2,164
Southern Africa region	16	-	-	16
South Asia	36	728	(1,051)	(287)
Tanzania	482	983	(1,071)	394
Uganda	644	1,183	(1,628)	199
West Africa region	2	3	(5)	-
Zambia	453	942	(787)	608
UK	120	4,710	(4,492)	338
Total restricted funds	**12,047**	**40,785**	**(33,346)**	**19,486**
Total funds	**34,310**	**109,787**	**(105,149)**	**38,948**

The table above is presented at an aggregate country programme level. Included in these balances are funds in deficit which total £2.6m (2025: £3.9m). In accordance with SORP 2019 paragraph 2.15, restricted fund balances may be negative when expenditure is made on a project that is expected to be reimbursed by a donor, but where, at the end of the financial year, not all the conditions have been met that would justify this income being recognised within the financial statements. This results in an excess of expenditure over income on individual restricted funds. It is considered that the likelihood of reimbursement is of a sufficient level to justify the carrying of these deficit funds at the end of the year.

The Trustees' Annual Report explains the main reasons why the Group and the Charity hold unrestricted funds and the adequacy of these funds at the year end. The reserves policy is reviewed on an annual basis and regularly monitored.

16. Movements in funds for prior year – Group and Charity (continued)

	At April 2024 £000	Income £000	Expenditure £000	At 31 March 2025 £000
Unrestricted funds:				
Designated funds: fixed assets fund	4,901	388	(1,968)	3,321
Total designated funds	**4,901**	**388**	**(1,968)**	**3,321**
General funds	21,983	63,409	(66,450)	18,942
Total unrestricted funds	**26,884**	**63,797**	**(68,418)**	**22,263**
Restricted funds:				
Bangladesh	2,528	4,045	(4,512)	2,061
Burkina Faso	444	312	(751)	5
East Africa region	4	-	(8)	(4)
Ethiopia	318	1,835	(1,346)	807
Ghana	1,220	664	(1,379)	505
Liberia	83	597	(519)	161
Madagascar	276	822	(695)	403
Malawi	987	1,631	(1,884)	734
Mali	500	701	(1,167)	34
Mozambique	(105)	1,975	(1,123)	747
Myanmar	22	-	-	22
Nepal	1,224	1,391	(1,766)	849
Niger	(436)	1,299	(844)	19
Nigeria	1,898	3,096	(2,141)	2,853
Pakistan	24	1,551	(1,746)	(171)
Rwanda	1,844	1,640	(2,215)	1,269
Southern Africa region	190	6	(180)	16
South Asia region	120	332	(416)	36
Tanzania	(150)	1,061	(429)	482
Uganda	1,136	1,656	(2,148)	644
West Africa region	48	-	(46)	2
Zambia	(66)	564	(45)	453
UK	219	3,141	(3,240)	120
Total restricted funds	**12,328**	**28,319**	**(28,600)**	**12,047**
Total funds	**39,212**	**92,116**	**(97,018)**	**34,310**

The table above is presented at an aggregate country programme level. Included in these balances are funds in deficit which total £4m (2024: £4m). In accordance with SORP 2019 paragraph 2.15, restricted fund balances may be negative when expenditure is made on a project that is expected to be reimbursed by a donor, but where, at the end of the financial year, not all the conditions have been met that would justify this income being recognised within the financial statements. This results in an excess of expenditure over income on individual restricted funds. It is considered that the likelihood of reimbursement is of a sufficient level to justify the carrying of these deficit funds at the end of the year.

The Trustees' Annual Report explains the main reasons why the Group and the Charity hold unrestricted funds and the adequacy of these funds at the year end. The reserves policy is reviewed on an annual basis and regularly monitored.

Notes to the financial statements

For the year ended 31 March 2026 (continued)

16. Movements in funds (continued)

Designated funds
Designated funds currently consist of the Fixed Asset Fund of £1.7m (2025: £3.3m) which represents the net book value of the Charity's intangible and tangible fixed assets.

General funds
The Board of Trustees has set a target operational reserve within the general funds to enable WaterAid to meet the potential costs related to any corporate risks materialising. The rationale for these reserves is discussed in the Trustees' Annual Report and the operational reserve targeted for 2025–26 was a range of £13m–£15m. The balance as at 31 March 2026 was above target at £17.7m (2025: £18.9m) due to receiving more unrestricted income than planned.

Restricted funds
Restricted funds are used for specified purposes as laid down by the donor including geographical restriction. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of support costs in line with the terms of the contract.

Negative balances are carried forward on funds only where further income is considered highly probable in the following year.

17. Analysis of Group net assets between funds

	Fixed assets £000	Net current assets £000	**2026 £000**	Fixed assets £000	Net current assets £000	2025 £000
Restricted income funds	-	19,486	19,486	-	12,047	12,047
Designated funds	1,708	-	1,708	3,321	-	3,321
General income funds	-	17,754	17,754	-	18,942	18,942
Total funds as at 31 March	**1,708**	**37,240**	**38,948**	**3,321**	**30,989**	**34,310**

18. Taxation and charitable status

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary WaterAid Trading Limited pays available profits to the charity through Gift Aid under deed of covenant. There was no corporation tax charged for the year (2025: £nil).

19. Company limited by guarantee

The liability of 14 members (2025: 14) of the charity is limited by guarantee to £1 each.

20. Operating lease commitments

The charity had the following future minimum lease payments under noncancellable operating leases for each of the following periods:

	Land and buildings	
	2026 £000	**2025 £000**
Within one year	1,075	956
Within 1–2 years	1,093	1,035
Within 2–5 years	1,102	2,220
	3,270	**4,211**

WaterAid holds a 15 year operating lease from 31 December 2019 for the rental of office space in the UK with a break option after 10 years.

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For the year ended 31 March 2026 (continued)

21. Net movement in funds or net income/(expenditure) for the year

This is stated after charging:	**2026 £000**	**2025 £000**
Amortisation and depreciation	1,730	2,138
Trustees' indemnity insurance	10	9
Trustees' reimbursed expenses	15	28
Auditors' remuneration – PwC:		
Audit – WaterAid UK	99	99
Audit – WaterAid Trading Limited	14	13
Audit – Resilient Water Accelerator	15	-
Audit gift in kind	69	62
Auditors' remuneration – Other audit firms	101	79
Exchange loss/(gain)	740	193
UK operating lease rentals – buildings	934	902

Trustees of the charity do not receive remuneration for their services but are reimbursed for travel and accommodation expenses. During the year, 11 Trustees were reimbursed for expenses totalling £14,830 (2025: 10 Trustees; £28,446). Trustee indemnity insurance covers Trustees against personal liability in certain circumstances if legal claims were to be made against them.

The group paid £229k total audit fees excluding gift in kind in the year ended 31 March 2026 (2025: £191k). This figure includes £128k (2025: £112k) exclusive of VAT, for the consolidated statutory audit provided by PwC UK, which also provided audit services as a gift in kind with a value of £69k (2025: £62k) disclosed in note 2. Other audit fees include fees by PwC's overseas affiliate of £9k (2025: £3k) and firms other than PwC for overseas country office external audits, project audits and donor grant audits as required by the conditions of funding contracts. PwC provided £nil (2025: £nil) of non-audit services to the group.

Notes to the financial statements

For the year ended 31 March 2026 (continued)

22. Related party transactions

WaterAid Japan and WaterAid Sweden are members of WaterAid international, operating under licence from WaterAid international to use the name WaterAid. All these organisations share the same objectives and vision. WaterAid receives funding for its charitable objectives from WaterAid America, WaterAid Canada, WaterAid Japan and WaterAid Sweden. WaterAid has provided grants to support WaterAid America, WaterAid Australia, WaterAid Canada, WaterAid India and WaterAid Sweden in 2026 for programmatic, fundraising and organisational development.

Transactions between WaterAid and other member countries of the WaterAid federation were as follows:

	Received from:		Paid to:	
	2026 £000	**2025 £000**	**2026 £000**	**2025 £000**
WaterAid America	14,842	6,117	1,744	2,116
WaterAid Australia	-	-	217	-
WaterAid Canada	3,734	1,779	300	390
WaterAid Japan	176	493	-	100
WaterAid India	-	-	957	1,122
WaterAid international	-	-	887	745
WaterAid Sweden	2,065	1,306	811	439
	20,817	**9,695**	**4,916**	**4,912**

During the year, WaterAid paid expenses on behalf of WaterAid international of £344k (2025: £211k). At 31 March 2026 the outstanding debtor balance with WaterAid international and other members was £nil (2025: £nil) but the Charity owed other members £56k (£106k) which is due to be settled early in the 2026–27 financial year. WaterAid donated services as a gift in kind to WaterAid international in the form of office space and staff costs during the year. The donated services were valued at £874k (2025: £702k).

Full declarations of interest are obtained from Trustees and Directors for their own activities outside of WaterAid governance as well as those of their spouses/partners and dependants.

Alyson Clark personally donated £120 in 2026 (2025: £120).

Andrew Green personally donated £6,000 in 2026 (2025: £6,000).

Ruth Jefferson is the current CEO of Wessex Water. During the year WaterAid received £16,769 from Wessex Water (2025: £332,024). Ruth also personally donated £120 in 2026 (2025: £nil)

Richard Morris personally donated £70 in 2026 (2025: £nil).

Heidi Mottram is CEO of Northumbrian Water Group. During the year WaterAid received £299,695 from Northumbrian Water Group Ltd (2025: £92,870). Heidi also personally donated £9,750 in 2026 (2025: £11,000).

Mala Rao was a Trustee and personally donated £300 in 2026 (2025: £600).

Peter Simpson resigned as CEO of Anglian Water in April 2025. During the year WaterAid received £905,639 from Anglian Water Services Limited (2025: £1,167,469). Peter also personally donated £nil in 2026 (2025: £5,000).

Hilary Wild personally donated £250 in 2026 (2025: £250).

The charity has disclosed the financial statements of the subsidiaries WaterAid Trading Limited and Resilient Water Accelerator Limited, detailed in note 11.

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For the year ended 31 March 2026 (continued)

Transactions between WaterAid and WaterAid Trading	**2026 Net income to charity £000**	**Balance owed to charity at 31 March 2026 £000**	**2025 Net income to charity £000**	**Balance owed to charity at 31 March 2025 £000**
Trademark – logo	9	-	7	-
Deed of covenant	(326)	-	(205)	-
Admin expenses	31	-	36	-
Group undertaking	-	726	-	379
Transactions between WaterAid and Resilient Water Accelerator				
Group undertaking	-	99	-	-

23. Financial instruments

	2026 £000	**2025 £000**
Cash and cash equivalents	35,931	33,109
Grant debtors	3,580	3,290
Other debtors	2,732	1,978
Accrued income	3,967	3,003
Financial assets	**46,210**	**41,380**
Trade creditors	4,114	5,384
Other creditors	1,830	1,942
Accruals	2,623	2,536
Financial liabilities	**8,567**	**9,862**

In respect of disclosure of financial instruments, sections 11 and 12 of FRS 102 have been adopted.

All financial assets and liabilities are payable or receivable within one year are therefore measured at an undiscounted value.

Ridin, 2, reacting to water flowing from his family's new tap, Bagmati province, Nepal. July 2025.

WaterAid/Ram Saran Tamang

WaterAid has one goal: to change the world through water. Along with decent toilets and good hygiene, a reliable supply of clean water is essential for health, dignity and a life full of opportunity.

WaterAid, 6th Floor, 20 Canada Square, London E14 5NN

Registered charity numbers 288701 (England and Wales) and SC039479 (Scotland) Company number: 01787329

WaterAid