

REGISTERED COMPANY NUMBER: 3956233 (England and Wales)
REGISTERED CHARITY NUMBER: 1083019



**International Association of
Hydrogeologists
Report of the Trustees and
Unaudited Financial Statements for the Year Ended
31 December 2012**



International Association of Hydrogeologists
Report of the Trustees and Unaudited Financial Statements
For the year ended 31 December 2012

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for the Year Ended 31 December 2012**

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Report of the Trustees for the Year Ended 31 December 2012

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

3956233 (England and Wales)

Registered Charity number

1083019

Registered office

16 Nun's Acre
Goring On Thames
Reading
Berkshire
RG8 9BE

Current Trustees and those who served during the year

M Aboufirass	Vice President, North Africa & the Middle East	
L Amore	Vice President, Latin America	
A A Chambel	Vice President, Science and Programme	
K W F Howard	President	
D Kreamer	Vice President, North America	-appointed 18.09.2012
B D Misstear	Vice President, Finance and Membership	-appointed 18.09.2012
S Puri	Secretary General	
J Shimada	Vice President, Asia	-appointed 18.09.2012
W F Struckmeier	Past President	
T Szöcs	Vice President, Western Europe	-appointed 18.09.2012
W A Timms	Vice President, Australasia and the Pacific	-appointed 18.09.2012
C Tindimugaya	Vice President, Sub-Saharan Africa	-appointed 18.09.2012
I S Zektser	Vice President, Eastern Europe	
R I Acworth		-resigned 18.09.2012
S M A Adelana		-resigned 18.09.2012
S S D Foster		-resigned 18.09.2012
L F Konikow		-resigned 18.09.2012
D F Pennequin		-resigned 18.09.2012
S N Rai		-resigned 18.09.2012

This Council was elected on 18 September 2012 and will serve until the Annual General Meeting of the Association in September 2016.

Company Secretary

P J Chilton



**Report of the Trustees
for the Year Ended 31 December 2012**

REFERENCE AND ADMINISTRATIVE DETAILS

Independent examiner

Locke Williams Associates LLP
Chartered Accountants
Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Solicitors

Robbins Olivery
Southern House
Woking
GU22 7UY

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, its Memorandum, Articles of Association and Rules, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 1985.

Recruitment and appointment of new trustees

The Council of the Association is elected by ballot of the membership of the Association every four years, the period of office running from the annual meeting at which the election takes place until the annual meeting in the fourth following year. The current Council was elected in Toyama City, Japan on 29 October 2008.

Organisational structure

All members, individual or corporate, are members of the international body. However the Association encourages the formation of national or regional committees in order to carry out local administration, promote contacts and co-operation and undertake relevant studies of local or regional interest. National committees may be organised in a number of different ways according to national practice and circumstance.

The Council of the Association determines the general policy of IAH.



Report of the Trustees for the Year Ended 31 December 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Executive Committee continues to keep the Association's activities under review, particularly with regard to any major risks that may arise. To this end, the Executive met three times during 2012 and maintains regular contact between meetings. Members of the Association's Council, the trustees, are kept informed and consulted on actions that may be required in relation to the management of risk.

The financial viability of the Association depends on maintaining and further developing membership and on the strength of its publishing activities. Scientific publishing in the Association's Hydrogeology Journal continues to be commercially successful and to maintain a high scientific impact factor. Nevertheless, our book and journal publishing activities are kept under regular review in the light of the ever-changing overall scientific publishing environment. For the journal, these changes concern primarily the growth of open access publishing and the continuing development of digital and web-based distribution, and for the books the facility for print-on-demand. These issues are reviewed at meetings between the Association's book and journal editors and the respective publishing houses. It is recognised that these changes may present an operational risk to the Association and the income generated to service its charitable objectives, and could in due course require adaptations to IAH's overall business model.

The trustees continue to explore the potential for development of our membership in various parts of the world. The overall strategy for membership growth includes efforts to retain existing members and to attract new members by improving the benefits of IAH membership, in particular for those who are just entering into a career in hydrogeology. The Association's membership fee structure encompasses different rates for different countries based on income level and ability to pay, for different career stages and for members who wish to receive membership benefits on-line only. All of these measures help to maintain the Association's financial viability.

The current challenging global financial and economic situation also presents potential risks to the Association. It was recognised even before the financial crises of 2008 that the Association could be vulnerable to major exchange rate fluctuations due to the operational requirement to maintain accounts in sterling, euros and US dollars. The IAH Executive Committee and Secretariat have continued to spread the Association's funds between these three. Although the greater part is normally kept in euros, IAH has particularly monitored the situation during 2011 and 2012 as increasing numbers of the eurozone countries have become caught up in continuing financial difficulties. The trustees have traditionally chosen to establish the Association's membership dues in euros, converting to sterling and dollar equivalents for the UK and USA respectively, but this is kept under review.

At the behest of the trustees, the Executive Committee also keeps under review the UK government's account protection and guarantee measures, and recommended that our financial reserves be deposited more widely amongst suitable institutions to mitigate risks associated with the fragility of the international banking system. Recognising also that falling bank interest rates mean that income from conventional bank deposit accounts had fallen to negligible amounts in 2009 and 2010 and to zero in 2011, the Association's Executive Committee and Secretariat has investigated alternative, low risk investment options for a proportion of the reserves to ensure at least some return to meet our obligations to the membership in this respect. As a consequence, a proportion of the sterling reserves have been invested in a charity-oriented building society account from early in 2012 and the interest received is reflected in these accounts.

The Association helps to keep abreast of current risks and ways of mitigating them in areas such as foreign exchange, employment legislation, tax and insurance issues and potential for fraud, by its membership of the Charity Finance Group and regular participation in its meetings and seminars. In addition, a session of formal trustee training will be included in the programme of the IAH Council meeting in June 2013.



**Report of the Trustees
for the Year Ended 31 December 2012**

OBJECTIVES AND ACTIVITIES

Objectives and aims

All the Association's assets and funds are directed towards meeting the objectives that are contained in the Articles of Association of the Company. These are to advance public education and promote research (and disseminate the useful results of such research) in the study and knowledge of hydrogeological science.

The Association seeks to achieve these objects by:

- Publishing journals, book series, newsletters and other occasional publications, in both hard copy and electronic format, for the benefit of members and the wider community interested in the objects of the Association;
- Promoting international co-operation among hydrogeologists and others with an interest in groundwater through commissions, working groups and joint projects;
- Encouraging the worldwide application of hydrogeological skills through education and technology transfer programmes. The Burdon Fund was established by IAH to support hydrogeologists in developing nations. IAH also runs a sponsored membership scheme to help hydrogeologists in developing nations share in the benefits of IAH membership. The Association has enhanced its capacity to do this by establishing an Education and Development Fund and a Sponsorship Fund;
- Sponsoring international meetings, including an annual congress, and regional and national meetings;
- Co-operating with national and international scientific organisations, to promote understanding of groundwater in the international management of water resources and the environment.

While these aims and objectives are clear, consistent and long-term, it is nevertheless prudent for the Association to review from time to time the activities that are undertaken and expenditures made in pursuit of these aims. To this end, a strategic plan for the period up to 2020 containing detailed recommendations for activities to be undertaken to strengthen the Association's membership, educational and scientific programmes, communications, conferences, provision of web-based services, income diversification and many others has been prepared. Progress in the implementation of this strategic plan is regularly reviewed by the Executive Committee of IAH and reported to the trustees at meetings of the Association's Council.

In carrying out these objectives and aims, the Trustees have complied with their duty to have due regard to the guidance published by the Charity Commission on Public Benefit



Report of the Trustees for the Year Ended 31 December 2012

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Association meets its charitable objectives in several ways.

The Association has maintained its sponsored membership scheme for professional colleagues who for financial or practical reasons find it difficult to pay their own fees to enable them to receive scientific knowledge and maintain technical contact with recent developments in groundwater science. At the end of 2012 membership of this scheme stood at its highest ever with 242 such members, and it is the intention to develop this aspect of the Association's charitable activity further. At the beginning of 2013 the sponsored membership scheme was reviewed to identify members who have been sponsored for substantial periods and whose personal career and national economic situations mean that they might now be able to pay for themselves, thus freeing up funds for new sponsored members. To provide support to this scheme, the Association established in 2009 a Sponsored Membership Fund of £10,000. In 2012, its fourth year of operation, £4747 was used to fund the sponsorship of 77 members of the Association, leaving a small balance of £148 at the end of the year. This Fund will need replenishment in 2013.

To further enhance its charitable activities in the field of education, in 2009 the Association established a separate Education and Development Fund with an initial amount of £10,000. This is intended to be used to support IAH members for educational, scientific, study and travel grants in the field of hydrogeology. In 2012, its fourth year of operation, a much larger total of £21,183 was disbursed. This was used to provide partial support to members of the Association to attend and present scientific papers at the IAH Congress in Niagara Falls, and £13,794 was provided to the IAH Karst Commission to support over a three year period the production of a map of the karstic regions of the world. This of course leaves a substantial negative balance of £16,801 which has been replenished by the transfer of £30,000 from general funds. This and the Sponsored Membership Fund are reviewed at least once each year with a view to replenishing them as required and when the Association's finances permit.

IAH continues to use its Burdon Fund and Network as its main focus for supporting the work of groundwater professionals in the developing world. To take account of the targets established for water within the UN's Millennium Development Goals, the Association has continued to direct its efforts towards Africa. The Network undertook a free book distribution to its African members during 2012 to a value of £5,527. To strengthen the work and the reach of the Burdon Network, a Memorandum of Understanding has been established with the African Groundwater Network, and £1,482 from the Burdon Fund was used to provide support in training materials and participant costs to a training course in Zambia undertaken by the Network. During 2012 £7,010 was disbursed by the Burdon Fund, leaving an end of year balance of £50,364. Discussions are underway on potential expenditure during 2013.

The major vehicle for education and dissemination of research is the "Hydrogeology Journal" which, with eight issues per year, continues to meet its targets for scientific articles and reports disseminated, and also in terms of the encouragement of a broad spread internationally of the authors' countries of origin. Further, the wide geographical spread of the editorial board enables us to meet our objective of supporting publication in English of any scientific paper or report of merit regardless of the authors' own source language and facilities for translation. The Hydrogeology Journal has maintained its scientific citation index while meeting the Association's objective of providing an accessible outlet for good hydrogeological science.

Trading activities

These are carried out through the Association's subsidiary company World-Wide Groundwater Ltd. In the absence of any major commercial consultancy opportunities, the company remained dormant during 2009 and 2010. It was re-activated at the beginning of 2011 and is now being used to receive funds and pay consultancy contracts related to an international project which the Association is undertaking for the UN Food and Agricultural Organisation based in Rome.



**Report of the Trustees
for the Year Ended 31 December 2012**

FINANCIAL REVIEW

Results for the year

The Council is required to prepare its report and accounts in pounds Sterling (GBP). For the year under review the Council reports a deficit of £11,388 (2011: deficit of £4,122).

Reserves policy

In addition to the management of the Burdon Fund, the Association has adopted a reserves policy for the management of its general funds with the following objectives:

1. To provide funds to continue the orderly development and future growth of the Association as defined by the Forward Look strategic programme;
2. To provide funds to enable the Association to continue to meet its scientific aims and objectives through its publications, conferences and the work of its commissions;
3. To provide funds to enable the Association to continue its work related to the promotion of sound groundwater management throughout the world;
4. To provide funds to support the Association's work in developing countries.

Each year the Association's Executive approves a plan of activity and budget to address these objectives. This involves the release of funds from general funds to enable the plan to be delivered.

There was no income to the Burdon Fund in 2012 and payments made were £7,010, leaving a balance of £50,364. To enhance the Association's activities designed to meet objective 4, the Executive has released additional funds from general funds. The Association establish a Sponsored Membership Fund initially of £10,000 to support the further development of the programme of sponsored membership for appropriate groundwater professionals in the less developed and developing countries, and is actively seeking suitable new candidates for such sponsorship. The Association has also established an Education and Development Fund, again initially of £10,000, to be used for educational, scientific, travel and study grants and has used this to support the participation of its members in the Association's scientific conferences. Both of these funds now need to be replenished.

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

ON BEHALF OF THE BOARD:

.....
P J Chilton - Secretary

Date:

**Independent Examiner's Report to the Trustees of
International Association of
Hydrogeologists**

I report on the accounts for the year ended 31 December 2012 set out on pages eight to sixteen.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view ' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Locke Williams Associates LLP
Chartered Accountants
Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Date:



Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2012

	Notes	Unrestricted funds £	Restricted funds £	31.12.12 Total funds £	31.12.11 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		41,356	-	41,356	31,519
Investment income	2	1,551	-	1,551	-
Incoming resources from charitable activities					
Members services		<u>244,874</u>	<u>-</u>	<u>244,874</u>	<u>253,276</u>
Total incoming resources		287,781	-	287,781	284,795
RESOURCES EXPENDED					
Charitable activities					
Members services		271,014	7,010	278,024	266,867
Governance costs		<u>16,193</u>	<u>-</u>	<u>16,193</u>	<u>17,268</u>
Total resources expended		287,207	7,010	294,217	284,135
NET INCOME/(EXPENDITURE) FOR THE YEAR					
		574	(7,010)	(6,436)	660
Unrealised gains/losses on investment assets		<u>(4,952)</u>	<u>-</u>	<u>(4,952)</u>	<u>(4,782)</u>
Net movement in funds		(4,378)	(7,010)	(11,388)	(4,122)
RECONCILIATION OF FUNDS					
Total funds brought forward		200,241	57,374	257,615	261,737
TOTAL FUNDS CARRIED FORWARD		<u>195,863</u>	<u>50,364</u>	<u>246,227</u>	<u>257,615</u>

The notes form part of these financial statements



Balance Sheet
At 31 December 2012

	Notes	31.12.12 £	31.12.11 £
FIXED ASSETS			
Tangible assets	6	1	460
Investments	7	<u>1</u>	<u>1</u>
		2	461
CURRENT ASSETS			
Debtors	8	40,015	13,916
Cash at bank		<u>219,551</u>	<u>281,896</u>
		259,566	295,812
CREDITORS			
Amounts falling due within one year	9	(13,341)	(38,658)
		<u>246,225</u>	<u>257,154</u>
NET CURRENT ASSETS			
		<u>246,227</u>	<u>257,615</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>246,227</u>	<u>257,615</u>
NET ASSETS			
		<u>246,227</u>	<u>257,615</u>
FUNDS	11		
Unrestricted funds		195,863	200,241
Restricted funds		<u>50,364</u>	<u>57,374</u>
TOTAL FUNDS		<u>246,227</u>	<u>257,615</u>

The notes form part of these financial statements



Balance Sheet - continued
At 31 December 2012

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2012.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2012 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
K W F Howard -Trustee



Notes to the Financial Statements for the Year Ended 31 December 2012

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Preparation of consolidated financial statements

The financial statements contain information about International Association of Hydrogeologists as an individual charity and do not contain consolidated financial information as the parent of a group. The charity has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donated goods and services

Donated goods and services are included at the value to the Fund, where material, and the value can be quantified and a third party is bearing the cost. No amounts are included for services donated by volunteers.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category and include non-recoverable VAT. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc	- 25% on cost
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Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.



**Notes to the Financial Statements - continued
 for the Year Ended 31 December 2012**

1. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result. The table below shows the balances held in the various currencies at the year end and the exchange rates prevailing.

Currency	Balances on 31.12.12	Rate of exchange with sterling on 31.12.11
US Dollars	\$28,556	\$1.6259
Euro	€62,578	€1.2332

2. INVESTMENT INCOME

	31.12.12	31.12.11
	£	£
Deposit account interest	<u>1,551</u>	<u>-</u>

The charity owns World-Wide Groundwater Limited, which is incorporated in England and Wales, established by the Council to undertake commercial activities which are in support of the Association's charitable objectives and donates its annual taxable profits to the charity under Gift Aid. The company has traded during the year ended 31 December 2012, and a summary of the trading results extracted from its accounts for the year ended 31 December 2012 is shown below:

	31.12.11	31.12.11
	£	£
Turnover	55,134	27,847
Administrative expenses	19,499	20,685
Interest receivable	-	-
Net income for the year	35,635	7,162
Less: Gift Aid donation (covenanted)	<u>(35,635)</u>	<u>(7,162)</u>
Net assets	<u>1</u>	<u>1</u>

3. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.12.12	31.12.11
	£	£
Depreciation - owned assets	<u>459</u>	<u>536</u>



**Notes to the Financial Statements - continued
for the Year Ended 31 December 2012**

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2012 nor for the year ended 31 December 2011.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2012 nor for the year ended 31 December 2011.

5. STAFF COSTS

	31.12.12	31.12.11
	£	£
Wages and salaries	55,429	54,620
Social security costs	<u>3,224</u>	<u>3,369</u>
	<u><u>58,653</u></u>	<u><u>57,989</u></u>

The average monthly number of employees during the year was 4 (2011: 4).

6. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2012 and 31 December 2012	<u>5,751</u>
DEPRECIATION	
At 1 January 2012	5,291
Charge for year	<u>459</u>
At 31 December 2012	<u><u>5,750</u></u>
NET BOOK VALUE	
At 31 December 2012	<u><u>1</u></u>
At 31 December 2011	<u><u>460</u></u>



**Notes to the Financial Statements - continued
for the Year Ended 31 December 2012**

7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 January 2012 and 31 December 2012	<u>1</u>
NET BOOK VALUE	
At 31 December 2012	<u><u>1</u></u>
At 31 December 2011	<u><u>1</u></u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

World-wide Groundwater Limited

Nature of business: Consultancy

Class of share:	% holding
Ordinary	100

	31.12.12 £	31.12.11 £
Aggregate capital and reserves	<u>1</u>	<u>1</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.12 £	31.12.11 £
Subscription fees receivable	264	797
Amounts owed by group undertakings	26,735	-
Other debtors	<u>13,016</u>	<u>13,119</u>
	<u>40,015</u>	<u>13,916</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.12 £	31.12.11 £
Trade creditors	5,785	-
Amounts owed to group undertakings	-	27,945
Taxation and social security	1,068	-
Other creditors	<u>6,488</u>	<u>10,713</u>
	<u>13,341</u>	<u>38,658</u>



**Notes to the Financial Statements - continued
 for the Year Ended 31 December 2012**

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31.12.12 Total funds £	31.12.11 Total funds £
Fixed assets	1	-	1	460
Investments	1	-	1	1
Current assets	207,872	51,694	259,566	295,812
Current liabilities	<u>(12,011)</u>	<u>(1,330)</u>	<u>(13,341)</u>	<u>(38,658)</u>
	<u>195,863</u>	<u>50,364</u>	<u>246,227</u>	<u>257,615</u>

11. MOVEMENT IN FUNDS

	At 1.1.12 £	Net movement in funds £	Transfers between funds £	At 31.12.12 £
Unrestricted funds				
General fund	178,257	19,595	(30,000)	167,852
Sponsored Membership Fund	4,895	(4,747)	-	148
Education and Development Fund	2,425	(19,226)	30,000	13,199
Asia Fund	<u>14,664</u>	<u>-</u>	<u>-</u>	<u>14,664</u>
	200,241	(4,378)	-	195,863
Restricted funds				
Burdon Fund	<u>57,374</u>	<u>(7,010)</u>	<u>-</u>	<u>50,364</u>
TOTAL FUNDS	<u>257,615</u>	<u>(11,388)</u>	<u>-</u>	<u>246,227</u>

Transfers between funds

A transfer of £30,000 was made to the Designated Education and Development Fund to support the funds activities in the year..

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	287,782	(261,278)	(6,909)	19,595
Sponsored Membership Fund	-	(4,747)	-	(4,747)
Education and Development Fund	<u>-</u>	<u>(21,183)</u>	<u>1,957</u>	<u>(19,226)</u>
	287,782	(287,208)	(4,952)	(4,378)
Restricted funds				
Burdon Fund	<u>-</u>	<u>(7,010)</u>	<u>-</u>	<u>(7,010)</u>
TOTAL FUNDS	<u>287,782</u>	<u>(294,218)</u>	<u>(4,952)</u>	<u>(11,388)</u>



**Notes to the Financial Statements - continued
for the Year Ended 31 December 2012**

11. MOVEMENT IN FUNDS - continued

Burdon Fund

The Burdon Fund was established in 1990 on the initiative of the Irish National Chapter of IAH, in memory of David Burdon, an Irish hydrogeologist of international repute. The objective of the fund is to help promote hydrogeological training and practice in developing nations, a cause to which David Burdon had devoted his career. The fund makes payments according to a set of criteria aligned to its objectives.

Contributions to the fund are made by individual IAH members and National Chapters of IAH or by transfer from the general accounts of IAH. On 31 December 2012 the balance of the fund was £50,364 (2011: £57,374). The priorities for the use of the Fund in supporting the charitable objectives of the Association have been reviewed by the Council which led to decisions, following extensive consultation, that the working priorities for the Fund should be:

- primary focus on the UN Millennium Development Goals and thus on Africa;
- partnership and professional advice to UN and aid agencies;
- development of in-country and in-region support for groundwater professionals supported by IAH membership;
- reliable and accessible data sources to assist in development projects.

During the year the Fund, in conjunction with resources directly donated by National Chapters, has continued to promote the development of new National Chapters in a number of African countries. A distribution of text books free to African groundwater professionals who are members of the Association was undertaken in 2012 and, following the establishment of an MoU with the African Groundwater Network, support was provided to a training course which they organised in Zambia.

Education and Development Fund

To enhance its charitable activities in the field of education, the Association has established a separate Education and Development Fund. This is intended to be used broadly to support members for educational, scientific, study and travel grants in the field of hydrogeology. This could be provided to support and encourage attendance of young professionals or those from developing countries to attend IAH congresses or to publish their scientific findings, to support the scientific and educational work of the Association's commissions and national groups, or to support the production of educational material on groundwater for non-specialist audiences. On 31 December 2012 the balance of the fund was £13,199. (2011: £2,425).

Sponsorship Fund

The Association has maintained its sponsored membership scheme for developing country professionals to enable them to receive scientific knowledge and maintain technical contact with recent developments in our science. At the end of 2012 membership of this scheme stood at its highest ever with 242 such members, and it is the intention to develop this aspect of the Association's charitable activity further. To provide further support to this, the Association established in 2009 a Sponsored Membership Fund, and will use its membership network, national groups and general publicity to encourage new candidates for sponsorship. On 31 December 2012 the balance of the fund was £148. (2011: £4,895)

Asia Fund

The Association's Burdon Fund is long established and has been focussed largely on Africa where the need for support for groundwater activities is greatest. However, at its strategic review in 2010 the Association wished to extend its developing country focus to Asia, where the educational and development support needs are somewhat different. The receipt in 2010 of an operating surplus from the 2009 conference in Hyderabad has provided the opportunity for the Association to set up a separate Asia Fund to enable a programme of support to members in the region to be established. Use of this Fund has been held over until after the Council elections of 2012 and the establishment of a new national committee for IAH in India in 2013.



**Detailed Statement of Financial Activities
for the Year Ended 31 December 2012**

	31.12.12	31.12.11
	£	£
INCOMING RESOURCES		
Voluntary income		
Donations	36,445	7,551
Donated services and facilities	<u>4,911</u>	<u>23,968</u>
	41,356	31,519
Investment income		
Deposit account interest	1,551	-
Incoming resources from charitable activities		
Membership fees	199,407	197,610
Contract & subvention income	24,585	26,892
Royalties	20,631	22,013
Other income	<u>251</u>	<u>6,761</u>
	<u>244,874</u>	<u>253,276</u>
Total incoming resources	287,781	284,795
RESOURCES EXPENDED		
Charitable activities		
Salaries	17,430	16,467
Social security	1,006	938
Printing & publishing costs	93,665	97,243
Editorial payments	20,994	19,869
World Water Council	-	664
Refunds to National Chapters	16,372	16,431
Access to Books programme	-	2,137
Books to Africa	5,527	-
Time Capsule Project	7,485	5,640
Website development	8,280	-
Grants to institutions	20,329	593
Grants to individuals	<u>4,747</u>	<u>3,905</u>
	195,835	163,887
Governance costs		
Salaries	13,784	14,646
Social security	909	1,062
Accountancy	<u>1,500</u>	<u>1,560</u>
	16,193	17,268
Support costs		
Management		
Salaries	24,215	23,507
Social security	1,309	1,369
Carried forward	25,524	24,876

This page does not form part of the statutory financial statements



**Detailed Statement of Financial Activities
for the Year Ended 31 December 2012**

	31.12.12	31.12.11
	£	£
Management		
Brought forward	25,524	24,876
Rent	1,904	1,730
Printing, stationery and communications	6,571	5,250
Database services	-	3,252
Sundries	730	2,197
Travel & subsistence	37,149	58,604
Strategic review and training	1,381	1,448
Professional subscriptions	380	-
Book keeping	3,323	-
Depreciation of fixtures & fittings	458	536
	<u>77,420</u>	<u>97,893</u>
Finance		
Bank charges	<u>4,769</u>	<u>5,087</u>
Total resources expended	294,217	284,135
	<hr/>	<hr/>
Net (expenditure)/income	<u>(6,436)</u>	<u>660</u>