

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 2013**





Contents of the Financial Statements

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Report of the Trustees for the Year Ended 31 December 2013

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 2013. 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

Trustees

| | |
|-----------------|--|
| M Aboufirass | Vice President, North Africa & the Middle East |
| L Amore | Vice President, Latin America |
| A A Chambel | Vice President, Programme and Science Coordination |
| K W F Howard | President |
| D Kreamer | Vice President, North America |
| B D Misstear | Vice President, Finance and Membership |
| S Puri | Secretary General |
| J Shimada | Vice President, Asia |
| W F Struckmeier | Past President |
| T Szócs | Vice President, Western Europe |
| W A Timms | Vice President, Australasia and the Pacific |
| I S Zektser | Vice President, Eastern Europe |

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

Company Secretary

P J Chilton

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



Report of the Trustees for the Year Ended 31 December 2013

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 Niagara Falls, Canada on 18 September 2012.

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.

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 in February, June and September 2013 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 and improving 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 development of digital and web-based distribution, and for the books the facility for print-on-demand. These issues are regularly 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. This could in due course require adaptation to IAH's overall business model, for which the Association will need to be prepared.

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 membership numbers and financial viability.

The recent challenging global financial and economic situation also presented 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 monitored the situation as increasing numbers of eurozone countries became 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.



Report of the Trustees for the Year Ended 31 December 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management - continued

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. While this fragility is now less severe, continuing low bank interest rates mean that income from conventional bank deposit accounts had fallen to negligible amounts. The Association therefore maintains a low risk investment of a part of the reserves to ensure at least some return to meet our obligations to the membership in this respect. A proportion of the sterling reserves have been placed in a charity-oriented building society account from 2012 and the interest receivable 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 was included in the programme of the IAH Council meeting in June 2013.

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 2013

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 2013 membership of this scheme stood at its highest ever with 265 such members, and it is the intention to develop this aspect of the Association's charitable activity further. In 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, in 2009 the Association established a Sponsored Membership Fund of £10,000. In 2013, £4326 was used to fund the sponsorship of 137 members of the Association, leaving a balance of (£4,179) at the end of the year. This Fund will need replenishment in 2014, by way of a transfer from general funds.

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 2013, a total of £11,069 was disbursed. This was used primarily to provide partial support to members of the Association to attend and present scientific papers at the IAH Congress in Perth and to support the work of the IAH Karst Commission. This leaves a balance of £12,102. 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. The Association has continued to direct its efforts towards Africa. Having undertaken a free book distribution to the African members of IAH in 2012, this was not repeated in 2013. To strengthen the work and the reach of the Burdon Network, a Memorandum of Understanding has been established with the African Groundwater Network. Thus, £6334 from the Burdon Fund was used to provide support in training materials and participant costs to two groundwater management training courses undertaken by the African Groundwater Network in Bamako (Mali) and Porto Novo (Benin). During 2013 £6,334 was disbursed by the Burdon Fund, leaving an end of year balance of £44,030.

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. IAH is still participating in the final stages of a project for the Global Environment Facility of the United Nations. As a result of the completion of consultancy work undertaken in 2011 and 2012, a final payment was made from the Food and Agriculture Organisation in Rome early in 2013 and a donation of £10,546 returned from World-Wide Groundwater to IAH during the year.



**Report of the Trustees
 for the Year Ended 31 December 2013**

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 £68,479 (2012: deficit of £37,871). Contributing factors have been the cost of the new website, the high cost of travel including an extra meeting of IAH Council in mid 2013, loan payments to two congress organising committees, slightly higher salary costs and the cost of replenishing the Education Fund. While this is the largest deficit we have seen in recent years, it is in line with the planned budget for 2013 and partly reflects IAH using its reserves more extensively to meet the Association's aims and objectives. This substantial deficit has been taken into account in setting the budget for 2014.

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 2013 and payments made were £6,334, leaving a balance of £44,030. 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 2013 set out on pages eight to seventeen.

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. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

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 2013**

| | | Unrestricted funds | Restricted fund | 31.12.13 Total funds | 31.12.12 Total funds |
|--|------|---------------------------|------------------------|---------------------------------|---------------------------------|
| | Note | £ | £ | £ | as restated £ |
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds | | | | | |
| Voluntary income | | 33,101 | - | 33,101 | 14,873 |
| Activities for generating funds | 2 | 14,505 | - | 14,505 | - |
| Investment income | 3 | 755 | - | 755 | 1,551 |
| Incoming resources from charitable activities | | | | | |
| Members services | | <u>247,701</u> | <u>-</u> | <u>247,701</u> | <u>244,874</u> |
| Total incoming resources | | 296,062 | - | 296,062 | 261,298 |
| RESOURCES EXPENDED | | | | | |
| Charitable activities | | | | | |
| Members services | | 342,060 | 6,334 | 348,394 | 278,024 |
| Governance costs | | <u>18,218</u> | <u>-</u> | <u>18,218</u> | <u>16,193</u> |
| Total resources expended | | <u>360,278</u> | <u>6,334</u> | <u>366,612</u> | <u>294,217</u> |
| NET INCOME/(EXPENDITURE) FOR THE YEAR | | | | | |
| | | (64,216) | (6,334) | (70,550) | (32,919) |
| Unrealised gains/losses on investment assets | | | | | |
| | | <u>2,071</u> | <u>-</u> | <u>2,071</u> | <u>(4,952)</u> |
| Net movement in funds | | (62,145) | (6,334) | (68,479) | (37,871) |
| RECONCILIATION OF FUNDS | | | | | |
| As previously reported | | 195,863 | 50,364 | 246,227 | 257,615 |
| Prior year adjustment | 7 | <u>(26,483)</u> | <u>-</u> | <u>(26,483)</u> | <u>-</u> |
| As Restated | | <u>169,380</u> | <u>50,364</u> | <u>219,744</u> | <u>257,615</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u>107,235</u> | <u>44,030</u> | <u>151,265</u> | <u>219,744</u> |

The notes form part of these financial statements



Balance Sheet
At 31 December 2013

| | Note | 31.12.13 £ | 31.12.12 as restated £ |
|--|------|---------------|------------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 8 | 1 | 1 |
| Investments | 9 | 1 | 1 |
| | | 2 | 2 |
| CURRENT ASSETS | | | |
| Debtors | 10 | 45,759 | 13,532 |
| Cash at bank and in hand | | 111,849 | 219,551 |
| | | 157,608 | 233,083 |
| CREDITORS | | | |
| Amounts falling due within one year | 11 | (6,345) | (13,341) |
| NET CURRENT ASSETS | | 151,263 | 219,742 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 151,265 | 219,744 |
| NET ASSETS | | 151,265 | 219,744 |
| FUNDS | 13 | | |
| Unrestricted funds | | 107,235 | 169,380 |
| Restricted funds | | 44,030 | 50,364 |
| TOTAL FUNDS | | 151,265 | 219,744 |



Balance Sheet - continued
At 31 December 2013

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2013.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2013 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 F W Howard -Trustee



Notes to the Financial Statements for the Year Ended 31 December 2013

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.

Members subscriptions

Members subscriptions are considered to be donations in substance and are recognised on receipt.

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.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Association and include the independent examination and an allocation of staff costs attributable to time spent in managing the charity.

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 |
|-------------------------|---------------|

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 2013**

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 31.12.13 | Rate of exchange with sterling on 31.12.13 |
|------------|----------------------|--|
| US Dollars | \$5,655 | \$1.6574 |
| Euro | €48,481 | €1.2031 |

2. ACTIVITIES FOR GENERATING FUNDS

| | 31.12.13 | 31.12.12 as restated |
|--------------|----------|-------------------------|
| | £ | £ |
| Other income | 14,505 | - |

3. INVESTMENT INCOME

| | 31.12.13 | 31.12.12 as restated |
|--------------------------|----------|-------------------------|
| | £ | £ |
| Deposit account interest | 755 | 1,551 |

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 2013, and a summary of the trading results extracted from its accounts for the year ended 31 December 2013 (and 2012 accounts as restated by the prior year adjustment) are shown below:

| | 31.12.13 | As restated 31.12.12 |
|--------------------------------------|----------|-------------------------|
| | £ | £ |
| Turnover | 36,499 | 28,651 |
| Administrative expenses | 25,953 | 19,499 |
| Interest receivable | - | - |
| Net income for the year | 10,546 | 9,152 |
| Less: Gift Aid donation (covenanted) | (10,546) | (9,152) |
| Net assets | 1 | 1 |



**Notes to the Financial Statements - continued
for the Year Ended 31 December 2013**

4. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

| | 31.12.13 | 31.12.12 |
|-----------------------------|-----------------|------------------|
| | £ | as restated £ |
| Depreciation - owned assets | - | 459 |

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2013 nor for the year ended 31 December 2012.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2013 nor for the year ended 31 December 2012.

6. STAFF COSTS

| | 31.12.13 | 31.12.12 |
|-----------------------|-----------------|------------------|
| | £ | as restated £ |
| Wages and salaries | 66,168 | 55,429 |
| Social security costs | 4,615 | 3,224 |
| | <u>70,783</u> | <u>58,653</u> |

No employees received emoluments in excess of £60,000.

The average monthly number of employees during the year was 4 (2012: 4).

7. PRIOR YEAR ADJUSTMENT

The prior year adjustment reflects the correction of donated income from World-wide Groundwater Limited which had been overstated by £26,483. This is following a restatement of the World-wide Groundwater Limited accounts for 2012 following a prior year adjustment reflecting the correction of £26,483 of income which was originally recognised as receivable in 2012 as actually being receivable in 2013.



**Notes to the Financial Statements - continued
for the Year Ended 31 December 2013**

8. TANGIBLE FIXED ASSETS

| | Plant and machinery etc | £ |
|--|--|----------|
| COST | | |
| At 1 January 2013 and 31 December 2013 | | 5,751 |
| DEPRECIATION | | |
| At 1 January 2013 and 31 December 2013 | | 5,750 |
| NET BOOK VALUE | | |
| At 31 December 2013 | | 1 |
| At 31 December 2012 | | 1 |

9. FIXED ASSET INVESTMENTS

| | Shares in group undertakings | £ |
|--|---|----------|
| MARKET VALUE | | |
| At 1 January 2013 and 31 December 2013 | | 1 |
| NET BOOK VALUE | | |
| At 31 December 2013 | | 1 |
| At 31 December 2012 | | 1 |

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 |

| | | |
|---------------------------------------|-----------------|-----------------|
| | 31.12.13 | 31.12.12 |
| | £ | £ |
| <u>Aggregate capital and reserves</u> | <u>1</u> | <u>1</u> |



**Notes to the Financial Statements - continued
 for the Year Ended 31 December 2013**

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.13 | 31.12.12 as restated |
|------------------------------------|-----------------|-------------------------|
| | £ | £ |
| Subscription fees receivable | 1,053 | 264 |
| Amounts owed by group undertakings | 188 | 252 |
| Other debtors | 40,523 | 13,016 |
| Prepayments and accrued income | 3,995 | - |
| | <u>45,759</u> | <u>13,532</u> |

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.13 | 31.12.12 as restated |
|------------------------------|-----------------|-------------------------|
| | £ | £ |
| Trade creditors | 3,045 | 5,785 |
| Taxation and social security | 944 | 1,068 |
| Accruals and deferred income | 2,356 | 6,488 |
| | <u>6,345</u> | <u>13,341</u> |

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds | Restricted fund | 31.12.13 Total funds | 31.12.12 Total funds |
|---------------------|---------------------------|------------------------|---------------------------------|-------------------------|
| | £ | £ | £ | as restated £ |
| Fixed assets | 1 | - | 1 | 1 |
| Investments | 1 | - | 1 | 1 |
| Current assets | 113,578 | 44,030 | 157,608 | 233,083 |
| Current liabilities | (6,345) | - | (6,345) | (13,341) |
| | <u>107,235</u> | <u>44,030</u> | <u>151,265</u> | <u>219,744</u> |



**Notes to the Financial Statements - continued
for the Year Ended 31 December 2013**

13. MOVEMENT IN FUNDS

| | At 1.1.13 £ | Prior year adjustment £ | Net movement in funds £ | At 31.12.13 £ |
|--------------------------------|----------------|-------------------------------|----------------------------------|------------------|
| Unrestricted funds | | | | |
| General fund | 167,852 | (26,483) | (46,749) | 94,620 |
| Sponsored Membership Fund | 148 | - | (4,327) | (4,179) |
| Education and Development Fund | 13,199 | - | (11,069) | 2,130 |
| Asia Fund | 14,664 | - | - | 14,664 |
| | 195,863 | (26,483) | (62,145) | 107,235 |
| Restricted funds | | | | |
| Burdon Fund | 50,364 | - | (6,334) | 44,030 |
| TOTAL FUNDS | <u>246,227</u> | <u>(26,483)</u> | <u>(68,479)</u> | <u>151,265</u> |

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 | 292,523 | (341,343) | 2,071 | (46,749) |
| Sponsored Membership Fund | - | (4,327) | - | (4,327) |
| Education and Development Fund | 3,540 | (14,609) | - | (11,069) |
| | 296,063 | (360,279) | 2,071 | (62,145) |
| Restricted funds | | | | |
| Burdon Fund | - | (6,334) | - | (6,334) |
| TOTAL FUNDS | <u>296,063</u> | <u>(366,613)</u> | <u>2,071</u> | <u>(68,479)</u> |

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.



Notes to the Financial Statements - continued for the Year Ended 31 December 2013

13. MOVEMENT IN FUNDS - continued

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 2013 the balance of the fund was £44,030 (2012: £501,364). 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 has continued to promote the development of new National Chapters in a number of African countries, and is planning to provide small amounts of support to start-up meetings for new chapters at the appropriate times. No distribution of free text books free to African groundwater professionals who are members of the Association was budgeted for in 2013, following that undertaken in 2012. Following the establishment of an MoU with the African Groundwater Network, support to the value of £6,334 was provided in training materials and participant costs to two groundwater management training courses undertaken by the African Groundwater Network in Bamako (Mali) and Porto Novo (Benin).

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 2013 the balance of the fund was £2,130. (2012: £13,199).

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 2013 membership of this scheme stood at its highest ever with 265 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 2013 the balance of the fund was (£4,179) (2012: £148). This fund in deficit will be replenished by way of a transfer from general funds during 2014.

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 and expenditure is anticipated in 2014.



**Detailed Statement of Financial Activities
for the Year Ended 31 December 2013**

| | 31.12.13 | 31.12.12 |
|--|-----------------|------------------|
| | £ | as restated £ |
| INCOMING RESOURCES | | |
| Voluntary income | | |
| Donations | 15,608 | 9,962 |
| Donated services and facilities | 17,493 | 4,911 |
| | <hr/> | <hr/> |
| | 33,101 | 14,873 |
| Activities for generating funds | | |
| Other income | 14,505 | - |
| Investment income | | |
| Deposit account interest | 755 | 1,551 |
| Incoming resources from charitable activities | | |
| Membership fees | 202,047 | 199,407 |
| Contract & subvention income | 25,583 | 24,585 |
| Royalties | 20,071 | 20,631 |
| Other income | - | 251 |
| | <hr/> | <hr/> |
| | 247,701 | 244,874 |
| Total incoming resources | 296,062 | 261,298 |
| RESOURCES EXPENDED | | |
| Charitable activities | | |
| Salaries | 24,385 | 17,430 |
| Social security | 1,991 | 1,006 |
| Printing & publishing costs | 88,188 | 93,665 |
| Editorial payments | 22,081 | 20,994 |
| Refunds to National Chapters | 14,102 | 16,372 |
| African Training Courses (Books to Africa in 2012) | 6,334 | 5,527 |
| Time Capsule Project | 4,282 | 7,485 |
| Website development | 58,469 | 8,280 |
| Grants to institutions | 14,609 | 20,329 |
| Grants to individuals | 4,326 | 4,747 |
| | <hr/> | <hr/> |
| | 238,767 | 195,835 |
| Governance costs | | |
| Salaries | 15,599 | 13,784 |
| Social security | 1,119 | 909 |
| Accountancy | 1,500 | 1,500 |
| | <hr/> | <hr/> |
| | 18,218 | 16,193 |



**Detailed Statement of Financial Activities
for the Year Ended 31 December 2013**

| | 31.12.13 | 31.12.12 |
|---|-----------------|------------------|
| | £ | as restated £ |
| Support costs | | |
| Management | | |
| Salaries | 26,184 | 24,215 |
| Social security | 1,505 | 1,309 |
| Rent | 1,083 | 1,904 |
| Printing, stationery and communications | 7,774 | 6,571 |
| Sundries | 1,471 | 730 |
| Travel & subsistence | 63,469 | 37,149 |
| Strategic review and training | 469 | 1,381 |
| Professional subscriptions | 486 | 380 |
| Book keeping | 2,687 | 3,323 |
| Depreciation of fixtures & fittings | - | 458 |
| | 105,128 | 77,420 |
| Finance | | |
| Bank charges | 4,499 | 4,769 |
| Total resources expended | 366,612 | 294,217 |
| Net expenditure | (70,550) | (32,919) |