

WaterAid Trading Limited
Accounts for the Year ended 31 March 2001

Registered no: 2362892

	Page
Directors' report	1
Statement of directors' responsibilities	2
Report of the auditors	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6



WaterAid Trading Limited**Directors' report****For the year ended 31 March 2001**

The directors present herewith the audited accounts for the year ended 31 March 2001.

Principal activities

The principal activity of the company is the sale of Christmas cards and other goods.

Review of business

The company made a profit before deed of covenant of £ 86,931. The directors consider that the financial position at the end of the period is satisfactory and expect that the current level of activity will continue for the foreseeable future.

Deed of covenant

The company has made a payment of £86,931(gross) to its holding company WaterAid under a deed of covenant.

Directors

The directors of the company during the period to 31 March 2001 were:-

V.Cocker - Chairman
R. Narayanan
J.D.Ghandhi
A.S.Cook
A Bhatia

Auditors

A resolution to reappoint PricewaterhouseCoopers as the company's auditors will be proposed at the annual general meeting.

WaterAid Trading Limited**Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the result of the company for that period. In preparing those financial statements, the directors are required to:-

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Director



Director

Auditors' report to the members of WaterAid Trading Limited

We have audited the financial statements on pages 4 to 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

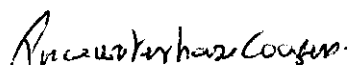
Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2001, and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London

25 July 2001.

WaterAid Trading Limited**Profit and loss account****For the year ended 31 March 2001**

	Notes	2001 £	2000 £
Turnover	2	346,318	303,025
Cost of sales		(147,490)	(139,121)
Gross profit		198,828	163,904
Administrative and selling expenses	3	(106,937)	(95,886)
Operating profit		91,891	68,018
Interest Expense	4	(4,960)	(3,326)
Profit before taxation and deed of covenant		86,931	64,692
Deed of covenant	5	(86,931)	(64,692)
Profit before taxation		NIL	NIL
Taxation		NIL	NIL
Retained profit for the period		NIL	NIL

The company has no recognised gains or losses other than the results above and therefore no separate statement of total recognised gains and losses has been presented.


There have been no acquisitions and no operations were discontinued during the year.

The notes on pages 6 to 7 form part of these accounts.

WaterAid Trading Limited
Balance sheet
31 March 2001

	Notes	2001	2000
			£
Current assets			
Stocks		8,585	7,131
Debtors	6	88,677	62,337
Cash at bank and in hand		44,720	29,484
		<u>141,982</u>	<u>98,952</u>
Creditors: amounts falling due within one year			
	7	(141,980)	(98,950)
Net current assets		<u>2</u>	<u>2</u>
Capital and reserves			
Called-up share capital	8	2	2
Profit and loss account		-	-
		<u>2</u>	<u>2</u>

The accounts were approved by the board on 25 July 2001 and signed on its behalf by:



Director



Director

The notes on pages 6 to 7 form part of these accounts.

WaterAid Trading Limited

Notes to the accounts - 31 March 2001

1 Principal accounting policies

The accounts have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below:-

(a) Basis of accounting

The accounts have been prepared under the historical cost convention.

(b) Stocks

Stocks held at the year end are stated in the balance sheet at the lower of cost and net realisable value.

(c) Cash flow

The company has taken advantage of the exception available to it under FRS1 (revised) exempting it from the requirement to prepare a cash flow statement. The exemption is on the basis that it is a wholly owned subsidiary of WaterAid whose consolidated financial statements are available to the public.

2 Turnover

Turnover, which comprises the amounts receivable for sales, net of VAT, is all generated in the United Kingdom.

3 Remuneration of directors, employment and audit costs

The directors did not receive any remuneration in respect of their services as directors of the company. Three directors, J. D.Ghandhi, R. Narayanan and A.S.Cook were also employees of the ultimate holding company, WaterAid (a company limited by guarantee) and were remunerated as employees by that company.

The company had no employees during the year. Administrative services are provided by the parent company and an amount of £ 39,031 (2000:£33,348) was recharged to WaterAid Trading Limited.

Included within administrative costs is an amount of £ 4,200 (2000:£3,900) for the audit of WaterAid Trading Limited. The auditors provided no other services to the company.

4 Interest payable

The company paid interest on the amounts due to the parent company throughout the year at a rate of 2 per cent above bank base rate.

WaterAid Trading Limited

Notes to the accounts - 31 March 2001

5 Payment under deed of covenant

WaterAid Trading Limited distributes its profits to the charity WaterAid (company limited by guarantee) under a deed of covenant dated 16 January 1990. Due to the changes in legislation for covenants, the gross amount has been shown in the accounts.

6 Debtors

	2001	2000
	£	£
Amounts falling due within one year:-		
Trade debtors	88,677	62,337

7 Creditors: amounts falling due within one year

	2001	2000
	£	£
Amounts due to parent company	101,337	53,581
Other creditors	40,643	45,369
	141,980	98,950

8 Called up share capital

	2001	2000
	£	£
Authorised:		
100 ordinary shares of £1 each	100	100
Called up, allotted and fully paid:		
2 ordinary shares of £1 each	2	2

9 Ultimate holding company

The company's directors consider WaterAid (a company limited by guarantee), incorporated in Great Britain and registered in England, to be the company's ultimate holding company. The address of the holding company is Prince Consort House, 27-29 Albert Embankment, London SE1 7UB.

10 FRS 8 exemption

WaterAid Trading Ltd, being a fully owned subsidiary of WaterAid, for which consolidated financial statements are publicly available, has taken advantage of the exemption set out in FRS 8 not to disclose any transactions with WaterAid.