

CONSOLIDATED FINANCIAL STATEMENTS

WATER FOR PEOPLE

**FOR THE YEARS ENDED
SEPTEMBER 30, 2018 AND 2017**

WATER FOR PEOPLE

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Water for People
Denver, Colorado

We have audited the accompanying consolidated financial statements of Water for People (WFP), which comprise the consolidated statement of financial position as of September 30, 2018, and the related consolidated statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of WFP as of September 30, 2018, and the consolidated change in its net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Report on Prior Year Comparative Statements

The consolidated financial statements of Water for People for the year ended September 30, 2017, were audited by other auditors, whose report dated February 6, 2018, expressed an unmodified opinion on those statements.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidating Schedule of Financial Position pages 21 - 22 and the Consolidating Schedule of Activity on pages 23 - 26 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



January 25, 2019

WATER FOR PEOPLE

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2018 AND 2017**

ASSETS

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 5,401,569	\$ 5,318,863
Investments	4,476,250	2,403,783
Grants and pledges receivable	5,038,797	4,730,323
Accounts receivable	174,283	156,581
Prepaid expenses	<u>440,709</u>	<u>381,880</u>
Total current assets	<u>15,531,608</u>	<u>12,991,430</u>
PROPERTY AND EQUIPMENT, NET	<u>568,361</u>	<u>586,437</u>
OTHER ASSETS		
Grants and pledges receivable, net of current portion	<u>372,604</u>	<u>1,170,439</u>
TOTAL ASSETS	<u>\$ 16,472,573</u>	<u>\$ 14,748,306</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 2,792,807	\$ 2,108,946
Provision for unanticipated losses	90,000	-
Deferred revenue	19,000	95,065
Deferred rent	<u>21,047</u>	<u>15,928</u>
Total current liabilities	<u>2,922,854</u>	<u>2,219,939</u>
LONG-TERM LIABILITIES		
Deferred rent, net of current portion	<u>78,215</u>	<u>99,261</u>
Total liabilities	<u>3,001,069</u>	<u>2,319,200</u>
NET ASSETS		
Unrestricted	8,840,851	8,630,969
Temporarily restricted	<u>4,630,653</u>	<u>3,798,137</u>
Total net assets	<u>13,471,504</u>	<u>12,429,106</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 16,472,573</u>	<u>\$ 14,748,306</u>

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**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED SEPTEMBER 30, 2018 AND 2017**

	2018		
	Unrestricted	Temporarily Restricted	Total
REVENUE			
Grants and contributions	\$ 5,454,722	\$ 14,683,025	\$ 20,137,747
Gifts in-kind	600,882	-	600,882
Royalty income	295,780	-	295,780
Investment income	83,170	-	83,170
Special events, net of expenses	63,047	-	63,047
Other revenue	9,564	-	9,564
Net assets released from donor restrictions	<u>13,719,071</u>	<u>(13,719,071)</u>	<u>-</u>
Total revenue	<u>20,226,236</u>	<u>963,954</u>	<u>21,190,190</u>
EXPENSES			
Program Services	<u>16,349,209</u>	<u>-</u>	<u>16,349,209</u>
Supporting Services:			
Management and General	1,826,212	-	1,826,212
Fundraising	<u>1,750,933</u>	<u>-</u>	<u>1,750,933</u>
Total supporting services	<u>3,577,145</u>	<u>-</u>	<u>3,577,145</u>
Total expenses	<u>19,926,354</u>	<u>-</u>	<u>19,926,354</u>
Changes in net assets before other items	299,882	963,954	1,263,836
OTHER ITEMS			
Provision for unanticipated losses	(90,000)	-	(90,000)
De-obligated awards and funds returned to donors	<u>-</u>	<u>(131,438)</u>	<u>(131,438)</u>
Changes in net assets	209,882	832,516	1,042,398
Net assets at beginning of year	<u>8,630,969</u>	<u>3,798,137</u>	<u>12,429,106</u>
NET ASSETS AT END OF YEAR	<u>\$ 8,840,851</u>	<u>\$ 4,630,653</u>	<u>\$ 13,471,504</u>

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CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED SEPTEMBER 30, 2018 AND 2017

	<u>2017</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE			
Grants and contributions	\$ 13,993,091	\$ 7,208,017	\$ 21,201,108
Gifts in-kind	420,902	-	420,902
Royalty income	302,557	-	302,557
Investment income	37,467	-	37,467
Special events, net of expenses	2,806	-	2,806
Other revenue	29,990	-	29,990
Net assets released from donor restrictions	<u>5,377,030</u>	<u>(5,377,030)</u>	<u>-</u>
Total revenue	<u>20,163,843</u>	<u>1,830,987</u>	<u>21,994,830</u>
EXPENSES			
Program Services	<u>16,124,435</u>	<u>-</u>	<u>16,124,435</u>
Supporting Services:			
Management and General	1,977,494	-	1,977,494
Fundraising	<u>1,815,002</u>	<u>-</u>	<u>1,815,002</u>
Total supporting services	<u>3,792,496</u>	<u>-</u>	<u>3,792,496</u>
Total expenses	<u>19,916,931</u>	<u>-</u>	<u>19,916,931</u>
Changes in net assets before other items	246,912	1,830,987	2,077,899
OTHER ITEMS			
Provision for unanticipated losses	-	-	-
De-obligated awards and funds returned to donors	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net assets	246,912	1,830,987	2,077,899
Net assets at beginning of year	<u>8,384,057</u>	<u>1,967,150</u>	<u>10,351,207</u>
NET ASSETS AT END OF YEAR	<u>\$ 8,630,969</u>	<u>\$ 3,798,137</u>	<u>\$ 12,429,106</u>

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**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	<u>Supporting Services</u>			Total Supporting Services	Total Expenses
	Program Services	Management and General	Fundraising		
Direct program expenses and country contributions	\$ 7,399,267	\$ 825	\$ 20,288	\$ 21,113	\$ 7,420,380
Salaries and benefits	5,480,969	1,017,600	1,341,279	2,358,879	7,839,848
Professional fees and contract services	674,849	138,339	21,256	159,595	834,444
Training, travel and meetings	1,180,463	96,233	172,583	268,816	1,449,279
Other	27,624	111,749	3,930	115,679	143,303
Rent/occupancy	344,505	223,199	475	223,674	568,179
Depreciation	250,103	34,996	2,917	37,913	288,016
Technology and supplies	325,036	53,336	12,724	66,060	391,096
Gifts in-kind expense	320,281	76,254	68,023	144,277	464,558
Telephone	144,864	5,002	1,337	6,339	151,203
Insurance	47,438	59,509	-	59,509	106,947
Printing, publications and website	149,347	8,752	105,199	113,951	263,298
Postage	4,463	418	922	1,340	5,803
TOTAL	\$16,349,209	\$ 1,826,212	\$ 1,750,933	\$ 3,577,145	\$ 19,926,354

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**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2017**

	<u>Supporting Services</u>			<u>Total Supporting Services</u>	<u>Total Expenses</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>		
Direct program expenses and country contributions	\$ 8,442,975	\$ -	\$ 31,453	\$ 31,453	\$ 8,474,428
Salaries and benefits	4,720,463	947,043	1,167,446	2,114,489	6,834,952
Professional fees and contract services	691,707	274,166	218,882	493,048	1,184,755
Training, travel and meetings	603,496	53,757	132,948	186,705	790,201
Other	274,093	293,107	86,007	379,114	653,207
Rent/occupancy	307,282	220,240	-	220,240	527,522
Depreciation	356,012	10,276	49,267	59,543	415,555
Technology and supplies	280,967	90,816	18,490	109,306	390,273
Gifts in-kind expense	178,438	30,091	76,113	106,204	284,642
Telephone	148,797	3,786	1,193	4,979	153,776
Insurance	53,333	54,120	-	54,120	107,453
Printing, publications and website	65,360	92	32,970	33,062	98,422
Postage	1,512	-	335	335	1,847
Special events expense	-	-	(102)	(102)	(102)
TOTAL	<u>\$ 16,124,435</u>	<u>\$ 1,977,494</u>	<u>\$ 1,815,002</u>	<u>\$ 3,792,496</u>	<u>\$ 19,916,931</u>

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**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 1,042,398	\$ 2,077,899
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	288,016	415,555
Unrealized gain	(40,326)	(287)
Realized gain	(5,228)	(2,927)
Change in discount on long-term receivables	(82,165)	71,750
Loss (gain) on sale of property and equipment	3,325	(13,692)
Decrease (increase) in:		
Grants and pledges receivable	571,526	(2,426,995)
Accounts receivable and prepaid expenses	(76,531)	(41,616)
Increase (decrease) in:		
Accounts payable, accrued liabilities and deferred revenue	607,796	646,459
Provision for unanticipated losses	90,000	-
Deferred rent	(15,927)	(10,808)
Pension liability	-	(242,029)
Net cash provided by operating activities	<u>2,382,884</u>	<u>473,309</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(273,265)	(263,789)
Proceeds from sales of property and equipment	-	13,692
Purchases of investments	(2,526,913)	(3,582,556)
Proceeds from sales of investments	<u>500,000</u>	<u>5,450,830</u>
Net cash (used) provided by investing activities	<u>(2,300,178)</u>	<u>1,618,177</u>
Net increase in cash and cash equivalents	82,706	2,091,486
Cash and cash equivalents at beginning of year	<u>5,318,863</u>	<u>3,227,377</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 5,401,569</u>	<u>\$ 5,318,863</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2018 AND 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

Water for People (WFP) is a non-profit organization, incorporated in the State of Colorado and headquartered in Denver, Colorado. Water for People is global non-profit organization working across nine countries to achieve lasting quality water and sanitation services. The purpose of Water for People is to promote the development of high-quality drinking water and sanitation services, accessible to all, and sustained by strong communities, businesses and governments. Water for People does this through a model called "Everyone Forever."

Everyone Forever is defined as a reliable and lasting water and sanitation service for every family, clinic and school in the regions where Water for People works. To do this, financial, physical and operational investments are made by local and national governments, community residents, entrepreneurs and other organizations to address current and future challenges of water systems and services. Water for People monitors field results until water service is sustainable by the local service authority and the monitoring capacity and responsibility are firmly embedded within communities and Government. Data and results are publicly available to everyone through Water for People's visually dynamic reporting platform, EF Tracker.

Everyone Forever programming expands from full coverage at district levels to national level and beyond, freeing countries from water and sanitation aid dependence, and providing a sustainable solution to end the global water and sanitation crisis.

Basis of presentation -

The accompanying consolidated financial statements are presented on the accrual basis of accounting, and in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*.

In accordance with FASB ASC 958-810, *Not for Profit Entities, Consolidation*, the accompanying consolidated financial statements include the accounts of Water for People country offices in Malawi, Bolivia, Guatemala, Honduras, India, Rwanda, Peru, Uganda, Nicaragua and Africa's Regional Office (Africa-RO) (closed in 2017). The accounts of these country offices are consolidated due to the control the Denver office has over these offices. All material intercompany activity has been eliminated.

Cash and cash equivalents -

WFP considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, WFP maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Interests, dividends, realized and unrealized gains and losses are included in investment income in the Consolidated Statements of Activities and Changes in Net Assets.

Grants and pledges receivable -

Grants and pledges receivable are recorded at their net realizable value, which approximates fair value. Grants and pledges receivable that are expected to be collected in future years are recorded at the present value of their future cash flows.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2018 AND 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Grants and pledges receivable (continued) -

The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in grants and contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. All grants and pledges receivable are considered by management to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Property and equipment -

Property and equipment in excess of \$5,000 are capitalized and stated at cost. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to ten years. Leasehold improvements are amortized over the remaining life of the lease. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation expense for the years ended September 30, 2018 and 2017 totaled \$288,016 and \$415,555, respectively.

Income taxes -

Water for People is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements. Water for People is not a private foundation.

Uncertain tax positions -

For the years ended September 30, 2018 and 2017, Water for People has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes, and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the consolidated financial statements.

Deferred revenue -

Deferred revenue consists primarily of support designated for use in future periods. WFP recognizes such revenue when it is earned.

Net asset classification -

The net assets are reported in two self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of WFP and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of WFP and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Consolidated Statements of Activities and Changes in Net Assets as net assets released from donor restrictions. During the year ended September 30, 2018, WFP changed its accounting policy for classification of donor-restricted support whose restrictions were met within the same fiscal year. In prior years, WFP classified all such support as unrestricted revenue. Beginning in 2018, all such support is classified as temporarily restricted revenue and is released as the restrictions on the revenue are met.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2018 AND 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Grants and contributions -

Unrestricted and temporarily restricted grants and contributions are recorded as revenue in the year notification is received from the donor. Temporarily restricted grants and contributions are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Such funds in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying consolidated financial statements.

Gifts in-kind -

Gifts in-kind consist of donated services, materials and equipment. Gifts in-kind are recorded at their fair value as of the date of the gift.

Foreign currency translation -

The U.S. Dollar is the functional currency for WFP's worldwide operations. Transactions in currencies other than U.S. Dollars are translated into dollars at the rate of exchange in effect during the month of the transaction. Assets and liabilities denominated in currencies other than U.S. Dollars are translated into dollars at the exchange rate in effect at the date of the Consolidated Statements of Financial Position. Currency gains and losses from translation are included in other revenue in the accompanying consolidated statements of activities.

Use of estimates -

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Provision for unanticipated losses -

WFP has established a provision for unanticipated losses. The provision is to cover expenses that result from programs which WFP may maintain for which there is no donor funding as well as potential losses as a result of donor audits, supplier tax liabilities, severance liabilities, bad debt and frozen assets.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying Consolidated Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Investment risks and uncertainties -

WFP invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2018 AND 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Fair value measurement -

WFP adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. WFP accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

Reclassification -

Certain amounts in the prior year's consolidated financial statements have been reclassified to conform to the current year's presentation. These reclassifications had no effect on the previously reported changes in net assets.

2. INVESTMENTS

Investments consisted of the following as of September 30, 2018 and 2017:

	2018	2017
	Fair Value	Fair Value
U.S. Treasury Bills	\$ 4,476,250	\$ -
Certificates of Deposit	-	2,403,783
TOTAL INVESTMENTS	\$ 4,476,250	\$ 2,403,783

Included in investment income are the following:

	2018	2017
Interest and dividends	\$ 37,616	\$ 34,253
Unrealized gain	40,326	287
Realized gain	5,228	2,927
TOTAL INVESTMENT INCOME	\$ 83,170	\$ 37,467

In accordance with FASB ASC 820, *Fair Value Measurement*, WFP has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2018 AND 2017

2. INVESTMENTS (Continued)

Investments recorded in the Consolidated Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market WFP has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There were no transfers between levels in the fair value hierarchy during the years ended September 30, 2018 and 2017. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *U.S. Treasury Bills* - Valued at the closing price reported in the active market in which the individual securities are traded.
- *Certificates of Deposit* - Generally valued at original cost plus accrued interest, which approximates fair value.

The table below summarizes, the investments measured at fair value on a recurring basis, by level within the fair value hierarchy as of September 30, 2018.

	Level 1	Level 2	Level 3	Total September 30, 2018
Asset Class:				
U.S. Treasury Bills	\$ 4,476,250	\$ -	\$ -	\$ 4,476,250

The table below summarizes, the investments measured at fair value on a recurring basis, by level within the fair value hierarchy as of September 30, 2017.

	Level 1	Level 2	Level 3	Total September 30, 2017
Asset Class:				
Certificates of Deposit	\$ -	\$ 2,403,783	\$ -	\$ 2,403,783

3. GRANTS AND PLEDGES RECEIVABLE

As of September 30, 2018 and 2017, contributors to WFP have made written promises to give totaling \$5,433,797 and \$6,005,324, respectively. Grants and pledges due in more than one-year have been recorded at the present value of the estimated cash flows, using a discount rate of 5.67% as of September 30, 2018, and rates ranging from 2.94% to 3.28% as of September 30, 2017.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

3. GRANTS AND PLEDGES RECEIVABLE (Continued)

Grants and pledges receivable are due as follows at September 30, 2018 and 2017:

	2018	2017
Less than one-year	\$ 5,038,797	\$ 4,730,323
One to five years	<u>395,000</u>	<u>1,275,001</u>
Total	5,433,797	6,005,324
Less: Allowance to discount balance to present value	<u>(22,396)</u>	<u>(104,562)</u>
GRANTS RECEIVABLE	<u>\$ 5,411,401</u>	<u>\$ 5,900,762</u>

WFP has conditional gifts outstanding that are not recorded as either contributions receivable or recognized as contribution revenue due to WFP needing to meet donor-imposed requirements. As of September 30, 2018 and 2017, WFP had the following conditional gifts where the conditional requirements were not yet met:

	2018	2017
Raise Matching Funds	\$ 3,009,881	\$ 4,828,154
Obtain Third-Party Funding	-	464,145
Meeting Specific Performance Targets	<u>293,168</u>	<u>200,000</u>
TOTAL	<u>\$ 3,303,049</u>	<u>\$ 5,492,299</u>

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at September 30, 2018 and 2017:

	2018	2017
Equipment	\$ 120,664	\$ 135,436
Furniture	131,140	132,483
Computer software and equipment	1,259,197	1,214,135
Vehicles	1,042,902	897,379
Leasehold improvements	130,339	149,511
Collections	<u>7,000</u>	<u>7,000</u>
Total Property and equipment	2,691,242	2,535,944
Less: Accumulated depreciation and amortization	<u>(2,122,881)</u>	<u>(1,949,507)</u>
NET PROPERTY AND EQUIPMENT	<u>\$ 568,361</u>	<u>\$ 586,437</u>

5. LINE OF CREDIT

WFP has a \$1,500,000 bank line of credit which has no maturity date. Amounts borrowed under this agreement bear interest at a rate of 2.75% plus the 30-day LIBOR rate (2.26% and 3.98% as of September 30, 2018 and 2017, respectively).

There were no outstanding balances on the line of credit as of September 30, 2018 and 2017. The line of credit is collateralized by securities held with the bank.

WATER FOR PEOPLE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

6. BOARD DESIGNATED NET ASSETS

A Strategic Investment Fund (SIF) was created via full Board approval on September 26th, 2018. The Fund was seeded with \$2,000,000 generated from previous years' financial surplus. The SIF is to be used by WFP for a range of purposes, including: acceleration of currently programmed district-level work activities (Everyone Forever), acceleration of scale activities, acceleration of global leadership activities, financial support to local partners, and research and development in water and sanitation. The use of the Fund, and the activities funded by it, require an approval by the Board of Directors. Following is a summary of net asset activity as of and for the year ended September 30, 2018:

	<u>Unrestricted</u>			<u>Temporarily Restricted</u>	<u>Total Net Assets</u>
	<u>Undesignated</u>	<u>Board Designated</u>	<u>Total Unrestricted</u>		
Balance at September 30, 2017	\$ 8,630,969	\$ -	\$ 8,630,969	\$ 3,798,137	\$12,429,106
Change in net assets	209,882	-	209,882	832,516	1,042,398
Designation of Strategic Investment Fund	<u>(2,000,000)</u>	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at September 30, 2018	<u>\$ 6,840,851</u>	<u>\$ 2,000,000</u>	<u>\$ 8,840,851</u>	<u>\$ 4,630,653</u>	<u>\$13,471,504</u>

7. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at September 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Water for People general funding	\$ 100,000	\$ 50,000
Malawi program general funding	-	70,234
Malawi Coca-Cola RAIN	-	22,337
Malawi charity:Water	517,803	474,919
Malawi University of Strathclyde	-	61,903
Bolivia program general funding	-	245,283
Bolivia Swedish Postcode Foundation	85,284	-
Guatemala EDUCO	111,772	42,474
Honduras Inter-American Development Bank	-	18,046
India program general funding	-	7,802
India charity:Water	134,578	209,948
Rwanda program general funding	-	215,841
Rwanda Coca-Cola RAIN	-	104,285
Rwanda charity:Water	1,102,090	469,074
Rwanda Moskovitz Foundation	1,000,000	-
Rwanda SNV	-	62
Rwanda anonymous	144,541	-
Peru Caterpillar Foundation	300,197	-
Uganda program general funding	-	44,823
Uganda Hilton Foundation	1,058,572	1,473,255
Uganda Stone Foundation	-	61,270
Uganda UNICEF	68,037	169,474
Nicaragua COSUDE	-	57,107
Nicaragua Fray Damiano	<u>7,779</u>	<u>-</u>
TOTAL TEMPORARILY RESTRICTED NET ASSETS	<u>\$ 4,630,653</u>	<u>\$ 3,798,137</u>

WATER FOR PEOPLE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

7. TEMPORARILY RESTRICTED NET ASSETS (Continued)

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

	<u>2018</u>	<u>2017</u>
Water for People general funding	\$ 75,000	\$ 50,000
Malawi program general funding	221,623	199,527
Malawi Coca-Cola RAIN	180,404	105,755
Malawi charity:Water	1,362,435	1,045,228
Malawi LDS Charities	300,010	-
Malawi University of Strathclyde	230,798	363,214
Bolivia program general funding	202,221	-
Bolivia Inter-American Development Bank	-	337,705
Bolivia Kimberly Clark Corporation	50,000	-
Bolivia Osprey Foundation	100,000	-
Bolivia Swedish Postcode Foundation	209,507	-
Guatemala program general funding	5,000	-
Guatemala Atlas Corporation	30,000	-
Guatemala Colgate	65,549	-
Guatemala EDUCO	200,630	196,107
Guatemala Kimberly Clark Corporation	100,000	-
Guatemala LDS Charities	300,010	-
Guatemala One Drop	905,238	685,741
Honduras Inter-American Development Bank	289,965	124,065
Honduras Kimerly Clark Corporation	50,000	-
Honduras LDS Charities	300,010	-
India program general funding	34,562	169,104
India Colgate	150,000	-
India charity:Water	472,268	227,402
India One Drop	913,035	83,443
India PSI	-	97,167
India Xylem	250,000	-
Rwanda program general funding	494,156	862,761
Rwanda Coca-Cola RAIN	224,340	-
Rwanda charity:Water	2,269,820	246,417
Rwanda LDS Charities	300,010	-
Rwanda Moskovitz Foundation	1,000,000	-
Rwanda SNV	93,733	-
Rwanda anonymous	182,645	-
Peru program general funding	10,000	-
Peru Water for People Canada	219,322	-
Peru Caterpillar Foundation	12,364	-
Peru Colgate Foundation	50,262	-
Peru Kimberly Clark Foundation	75,000	-
Uganda program general funding	59,823	322,979
Uganda Adventure Project	75,000	-
Uganda American Standard	-	78,647
Uganda GIZ	-	55,401
Uganda Hilton Foundation	414,684	-
Uganda LDS Charities	300,010	-
Uganda Stone Foundation	35,627	-

WATER FOR PEOPLE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2018 AND 2017**

7. TEMPORARILY RESTRICTED NET ASSETS (Continued)

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors (continued):

	2018	2017
Uganda UNICEF	\$ 141,836	\$ -
Nicaragua program general funding	33,000	-
Nicaragua COSUDE	233,849	72,967
Nicaragua CAPS PODA	3,293	-
Nicaragua Fray Damiano	53,465	-
Nicaragua Green Mountain Coffee	-	53,400
Nicaragua Kimberly Clark Corporation	50,000	-
Nicaragua LDS Charities	300,010	-
Nicaragua Signe Hanson	50,000	-
Nicaragua San Rafael	38,557	-
NET ASSETS RELEASED FROM DONOR RESTRICTIONS	\$ 13,719,071	\$ 5,377,030

8. GIFTS IN-KIND

During the years ended September 30, 2018 and 2017, WFP was the beneficiary of donated goods, services and space which allowed WFP to provide greater resources toward various programs. The following donations have been included in revenue and expense for the years ended September 30, 2018 and 2017.

	2018	2017
Donated IT software	\$ 426,210	\$ -
Donated services	162,955	217,418
Donated space, materials and other	11,717	203,484
	\$ 600,882	\$ 420,902

9. LEASE COMMITMENTS

WFP rents equipment and office facilities under noncancelable operating leases that have various expiration dates through 2022. Effective April 1, 2013, WFP entered into a lease for office space in Denver, Colorado with a term of nine years ending March 2022.

Monthly rental expense is based on an annual rate per square foot of the leased space, which increases by 50 cents per square foot annually beginning October 1, 2015. The lease agreement provided WFP with free rent for the first 12 months.

Accounting principles generally accepted in the United States of America require that the total rent commitment should be recognized on a straight-line basis over the term of the lease. Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent liability on the Consolidated Statements of Financial Position.

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2018 AND 2017

9. LEASE COMMITMENTS (Continued)

The following is a schedule of the future minimum lease payments:

<u>Year Ending September 30,</u>	
2019	\$ 153,585
2020	158,705
2021	166,384
2022	<u>84,472</u>
	<u>\$ 563,146</u>

Rent expense for the years ended September 30, 2018 and 2017 was \$321,513 and \$306,182, respectively. The deferred rent liability was \$99,262 and \$115,189, respectively.

10. RETIREMENT PLAN

WFP provides retirement benefits to its employees through a defined contribution plan covering all full-time employees who work more than 20 hours per week. WFP's matching contributions to the Plan during the years ended September 30, 2018 and 2017 totaled \$188,212 and \$158,246, respectively.

11. CONCENTRATION OF REVENUE

For the years ended September 30, 2018 and 2017, three donors provided approximately 41% and 46%, respectively, of WFP's total revenue. Approximately \$2,300,000 of the balance of grants and pledges receivable as of September 30, 2018 is attributable to these donors. WFP has no reason to believe that the relationships with these donors will be discontinued in the foreseeable future. However, any interruption of these relationships may result in a significant decrease in revenue.

12. NEW ACCOUNTING PRONOUNCEMENTS (NOT YET ADOPTED)

In August 2016, the FASB issued ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), intended to improve financial reporting for not-for-profit entities.

The ASU will reduce the current three classes of net assets into two: with and without donor restrictions. The change in each of the classes of net assets must be reported on the Consolidated Statements of Activities and Changes in Net Assets. The ASU also requires various enhanced disclosures around topics such as board designations, liquidity, functional classification of expenses, investment expenses, donor restrictions, and underwater endowments. The ASU is effective for years beginning after December 15, 2017. Early adoption is permitted. The ASU should be applied on a retrospective basis in the year the ASU is first applied. While the ASU will change the presentation of WFP's consolidated financial statements, it is not expected to alter WFP's reported financial position.

In June 2018, FASB issued ASU 2018-08, *Not-for-Profit Entities* (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, which is intended to clarify and improve current guidance about whether a transfer of assets is an exchange transaction or a contribution. The amendments in this ASU provide a more robust framework to determine when a transaction should be accounted for as a contribution under Subtopic 958-605 or as an exchange transaction accounted for under other guidance (for example, Topic 606).

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2018 AND 2017

12. NEW ACCOUNTING PRONOUNCEMENTS (NOT YET ADOPTED) (Continued)

The amendments also provide additional guidance about how to determine whether a contribution is conditional or unconditional. The amendments in this ASU could result in more grants and contracts being accounted for as contributions than under previous GAAP. The ASU recommends application on a modified prospective basis; however, retrospective application is permitted. WFP has not yet decided on a transition method. The ASU is effective for years beginning after December 31, 2018.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606) (ASU 2014-09). The ASU establishes a comprehensive revenue recognition standard for virtually all industries under generally accepted accounting principles in the United States (U.S. GAAP) including those that previously followed industry-specific guidance. The guidance states that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The FASB issued ASU 2015-14 in August 2015 that deferred the effective date of ASU 2014-09 by a year; thus, the effective date is years beginning after December 15, 2018. Early adoption is permitted. WFP has not yet selected a transition method and is currently evaluating the effect that the updated standard will have on its consolidated financial statements.

In 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). The ASU changes the accounting treatment for operating leases by recognizing a lease asset and lease liability at the present value of the lease payments in the Consolidated Statements of Financial Position and disclosing key information about leasing arrangements. The ASU is effective for private entities for years beginning after December 15, 2019. Early adoption is permitted. The ASU should be applied at the beginning of the earliest period presented using a modified retrospective approach.

WFP plans to adopt the new ASUs at the respective required implementation dates.

13. SUBSEQUENT EVENTS

In preparing these consolidated financial statements, WFP has evaluated events and transactions for potential recognition or disclosure through January 25, 2019, the date the consolidated financial statements were issued.

SUPPLEMENTAL INFORMATION

WATER FOR PEOPLE
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>Denver</u>	<u>Malawi</u>	<u>Bolivia</u>	<u>Guatemala</u>	<u>Honduras</u>
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 5,282,359	\$ 7,422	\$ 4,871	\$ 52,775	\$ 12,146
Investments	4,476,250	-	-	-	-
Grants and pledges receivable	4,866,211	-	11,224	126,038	-
Accounts receivable	(12,088)	2,215	1,296	31,925	1
Prepaid expenses	363,847	8,627	4,425	-	10,738
Total current assets	<u>14,976,579</u>	<u>18,264</u>	<u>21,816</u>	<u>210,738</u>	<u>22,885</u>
PROPERTY AND EQUIPMENT, NET	<u>99,263</u>	<u>126,226</u>	<u>61,271</u>	<u>13,740</u>	<u>18,603</u>
OTHER ASSETS					
Grants and pledges receivable, net of current portion	<u>372,604</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>15,448,446</u>	<u>144,490</u>	<u>83,087</u>	<u>224,478</u>	<u>41,488</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable and accrued liabilities	652,153	677,091	161,474	213,879	123,347
Provision for unanticipated losses	90,000	-	-	-	-
Deferred revenue	19,000	-	-	-	-
Deferred rent	21,047	-	-	-	-
Total current liabilities	<u>782,200</u>	<u>677,091</u>	<u>161,474</u>	<u>213,879</u>	<u>123,347</u>
LONG-TERM LIABILITIES					
Deferred rent, net of current portion	<u>78,215</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>860,415</u>	<u>677,091</u>	<u>161,474</u>	<u>213,879</u>	<u>123,347</u>
NET ASSETS					
Unrestricted	10,363,401	(543,856)	(163,672)	(101,174)	(81,859)
Temporarily restricted	4,224,630	11,255	85,285	111,773	-
Total net assets	<u>14,588,031</u>	<u>(532,601)</u>	<u>(78,387)</u>	<u>10,599</u>	<u>(81,859)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 15,448,446</u>	<u>\$ 144,490</u>	<u>\$ 83,087</u>	<u>\$ 224,478</u>	<u>\$ 41,488</u>

India	Rwanda	Peru	Uganda	Nicaragua	Eliminations	Total
\$ 8,479	\$ 2,165	\$ 3,702	\$ 19,053	\$ 8,597	\$ -	\$ 5,401,569
-	-	-	-	-	-	4,476,250
-	-	-	-	35,324	-	5,038,797
9,296	341	3,860	126,159	11,278	-	174,283
(1,044)	14,723	1,267	31,163	6,963	-	440,709
16,731	17,229	8,829	176,375	62,162	-	15,531,608
32,458	115,676	1,786	76,267	23,071	-	568,361
-	-	-	-	-	-	372,604
49,189	132,905	10,615	252,642	85,233	-	16,472,573
37,290	686,081	104,453	62,617	74,422	-	2,792,807
-	-	-	-	-	-	90,000
-	-	-	-	-	-	19,000
-	-	-	-	-	-	21,047
37,290	686,081	104,453	62,617	74,422	-	2,922,854
-	-	-	-	-	-	78,215
37,290	686,081	104,453	62,617	74,422	-	3,001,069
11,899	(553,176)	(93,838)	94	3,032	-	8,840,851
-	-	-	189,931	7,779	-	4,630,653
11,899	(553,176)	(93,838)	190,025	10,811	-	13,471,504
\$ 49,189	\$ 132,905	\$ 10,615	\$ 252,642	\$ 85,233	\$ -	\$ 16,472,573

WATER FOR PEOPLE

**CONSOLIDATING SCHEDULE OF ACTIVITY
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Denver		Malawi	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
REVENUE				
Grants and contributions	\$ 5,288,076	\$ 13,706,721	\$ 170,877	\$ 1,573,361
Gifts in-kind	600,882	-	-	-
Royalty income	295,780	-	-	-
Investment income	77,573	-	200	-
Special events	63,047	-	-	-
Other revenue	39,185	-	(55,744)	-
Net assets released from donor restrictions	12,717,323	(12,717,323)	1,808,041	(1,808,041)
Total revenue	19,081,866	989,398	1,923,374	(234,680)
EXPENSES				
Program Services	14,315,993	-	2,263,607	-
Supporting Services:				
Management and General	1,826,212	-	-	-
Fundraising	1,750,933	-	-	-
Total supporting services	3,577,145	-	-	-
Total expenses	17,893,138	-	2,263,607	-
Change in net assets before other items	1,188,728	989,398	(340,233)	(234,680)
OTHER ITEMS				
Provision for unanticipated losses	(90,000)	-	-	-
De-obligated awards and funds returned to donors	-	(78,823)	-	(9,553)
Change in net assets	1,098,728	910,575	(340,233)	(244,233)
Net assets at beginning of year	9,264,673	3,314,055	(203,623)	255,488
NET ASSETS AT END OF YEAR	\$ 10,363,401	\$ 4,224,630	\$ (543,856)	\$ 11,255

Bolivia		Guatemala		Honduras		India	
Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
\$ 13,855	\$ 644,791	\$ 97,425	\$ 1,490,716	\$ 75,585	\$ 621,930	\$ -	\$ 620,044
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	1,620	-	789	-	-	-
-	-	-	-	-	-	-	-
(3,464)	-	2,310	-	7,079	-	301	-
561,727	(561,727)	1,421,417	(1,421,417)	639,975	(639,975)	623,895	(623,895)
572,118	83,064	1,522,772	69,299	723,428	(18,045)	624,196	(3,851)
717,261	-	1,595,178	-	774,214	-	524,595	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
717,261	-	1,595,178	-	774,214	-	524,595	-
(145,143)	83,064	(72,406)	69,299	(50,786)	(18,045)	99,601	(3,851)
-	-	-	-	-	-	-	-
-	(43,062)	-	-	-	-	-	-
(145,143)	40,002	(72,406)	69,299	(50,786)	(18,045)	99,601	(3,851)
(18,529)	45,283	(28,768)	42,474	(31,073)	18,045	(87,702)	3,851
\$ (163,672)	\$ 85,285	\$ (101,174)	\$ 111,773	\$ (81,859)	\$ -	\$ 11,899	\$ -

WATER FOR PEOPLE

**CONSOLIDATING SCHEDULE OF ACTIVITY
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Rwanda		Peru	
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
REVENUE				
Grants and contributions	\$ 157,685	\$ 2,727,380	\$ 260,383	\$ 281,948
Gifts in-kind	-	-	-	-
Royalty income	-	-	-	-
Investment income	1,088	-	-	-
Special events	-	-	-	-
Other revenue	27,508	-	1,940	-
Net assets released from donor restrictions	2,743,199	(2,743,199)	281,948	(281,948)
Total revenue	2,929,480	(15,819)	544,271	-
EXPENSES				
Program Services	3,248,013	-	584,245	-
Supporting Services:				
Management and General	-	-	-	-
Fundraising	-	-	-	-
Total supporting services	-	-	-	-
Total expenses	3,248,013	-	584,245	-
Change in net assets before other items	(318,533)	(15,819)	(39,974)	-
OTHER ITEMS				
Provision for unanticipated losses	-	-	-	-
De-obligated awards and funds returned to donors	-	-	-	-
Change in net assets	(318,533)	(15,819)	(39,974)	-
Net assets at beginning of year	(234,643)	15,819	(53,864)	-
NET ASSETS AT END OF YEAR	\$ (553,176)	\$ -	\$ (93,838)	\$ -

SCHEDULE 2
(Continued)

Uganda		Nicaragua		Eliminations		Consolidated Total	
Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted
\$ 129,981	\$ 1,203,306	\$ 94,373	\$ 712,845	\$ (833,518)	\$ (8,900,017)	\$ 5,454,722	\$ 14,683,025
-	-	-	-	-	-	600,882	-
-	-	-	-	-	-	295,780	-
1,764	-	136	-	-	-	83,170	-
-	-	-	-	-	-	63,047	-
(5,044)	-	(4,507)	-	-	-	9,564	-
1,059,390	(1,059,390)	762,173	(762,173)	(8,900,017)	8,900,017	13,719,071	(13,719,071)
1,186,091	143,916	852,175	(49,328)	(9,733,535)	-	20,226,236	963,954
1,237,607	-	822,031	-	(9,733,535)	-	16,349,209	-
-	-	-	-	-	-	1,826,212	-
-	-	-	-	-	-	1,750,933	-
-	-	-	-	-	-	3,577,145	-
1,237,607	-	822,031	-	(9,733,535)	-	19,926,354	-
(51,516)	143,916	30,144	(49,328)	-	-	299,882	963,954
-	-	-	-	-	-	(90,000)	-
-	-	-	-	-	-	-	(131,438)
(51,516)	143,916	30,144	(49,328)	-	-	209,882	832,516
51,610	46,015	(27,112)	57,107	-	-	8,630,969	3,798,137
\$ 94	\$ 189,931	\$ 3,032	\$ 7,779	\$ -	\$ -	\$ 8,840,851	\$ 4,630,653