

**CONSOLIDATED FINANCIAL STATEMENTS**

# **WATER FOR PEOPLE**

**FOR THE YEARS ENDED  
SEPTEMBER 30, 2020 AND 2019**

# WATER FOR PEOPLE

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## CPAs & ADVISORS

### 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 statements of financial position as of September 30, 2020 and 2019, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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, 2020 and 2019, and the consolidated changes in its net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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### 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 page 23 and the Consolidating Schedule of Activity on pages 24 - 27 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.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Freedman".

March 2, 2021

## WATER FOR PEOPLE

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS OF SEPTEMBER 30, 2020 AND 2019**

**ASSETS**

	<b>2020</b>	<b>2019</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,625,374	\$ 1,450,005
Investments	7,414,552	7,021,199
Grants and pledges receivable, net	3,735,172	4,709,586
Accounts receivable	198,699	920,194
Prepaid expenses	199,918	212,996
Total current assets	<u>14,173,715</u>	<u>14,313,980</u>
<b>PROPERTY AND EQUIPMENT, NET</b>	<u>418,223</u>	<u>509,140</u>
<b>OTHER ASSETS</b>		
Grants and pledges receivable, net of current portion	<u>2,533,192</u>	<u>152,363</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 17,125,130</u></b>	<b><u>\$ 14,975,483</u></b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Note payable	\$ 471,443	\$ -
Accounts payable and accrued liabilities	2,268,955	4,078,617
Provision for unanticipated losses	94,536	78,776
Deferred revenue	876,206	203,969
Deferred rent	18,203	26,166
Total current liabilities	<u>3,729,343</u>	<u>4,387,528</u>
<b>LONG-TERM LIABILITIES</b>		
Note payable, net of current portion	304,749	-
Deferred rent, net of current portion	33,845	52,048
Total long-term liabilities	<u>338,594</u>	<u>52,048</u>
Total liabilities	<u>4,067,937</u>	<u>4,439,576</u>
<b>NET ASSETS</b>		
Without donor restrictions	7,631,142	6,997,519
With donor restrictions	5,426,051	3,538,388
Total net assets	<u>13,057,193</u>	<u>10,535,907</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 17,125,130</u></b>	<b><u>\$ 14,975,483</u></b>

## WATER FOR PEOPLE

**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	<b>2020</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUE</b>			
Grants and contributions	\$ 7,468,027	\$ 14,892,861	\$ 22,360,888
Gifts in-kind	412,989	-	412,989
Royalty income	154,838	-	154,838
Investment income	42,644	-	42,644
Special events, net of expenses	1,681	-	1,681
Other revenue	17,227	-	17,227
Net assets released from donor restrictions	<u>12,928,602</u>	<u>(12,928,602)</u>	<u>-</u>
Total revenue	<u>21,026,008</u>	<u>1,964,259</u>	<u>22,990,267</u>
<b>EXPENSES</b>			
Program Services	<u>16,738,337</u>	<u>-</u>	<u>16,738,337</u>
Supporting Services:			
Management and General	2,492,428	-	2,492,428
Fundraising	<u>1,161,620</u>	<u>-</u>	<u>1,161,620</u>
Total supporting services	<u>3,654,048</u>	<u>-</u>	<u>3,654,048</u>
Total expenses	<u>20,392,385</u>	<u>-</u>	<u>20,392,385</u>
Changes in net assets before other item	633,623	1,964,259	2,597,882
<b>OTHER ITEM</b>			
De-obligated awards and funds returned to donors	<u>-</u>	<u>(76,596)</u>	<u>(76,596)</u>
Changes in net assets	633,623	1,887,663	2,521,286
Net assets at beginning of year	<u>6,997,519</u>	<u>3,538,388</u>	<u>10,535,907</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 7,631,142</u></b>	<b><u>\$ 5,426,051</u></b>	<b><u>\$ 13,057,193</u></b>

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CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	<b>2019</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUE</b>			
Grants and contributions	\$ 5,137,839	\$ 13,629,235	\$ 18,767,074
Gifts in-kind	361,260	-	361,260
Royalty income	310,432	-	310,432
Investment income	158,466	-	158,466
Special events, net of expenses	40,546	-	40,546
Other revenue	38,269	-	38,269
Net assets released from donor restrictions	<u>14,718,080</u>	<u>(14,718,080)</u>	<u>-</u>
Total revenue	<u>20,764,892</u>	<u>(1,088,845)</u>	<u>19,676,047</u>
<b>EXPENSES</b>			
Program Services	<u>18,986,982</u>	<u>-</u>	<u>18,986,982</u>
Supporting Services:			
Management and General	2,356,139	-	2,356,139
Fundraising	<u>1,265,103</u>	<u>-</u>	<u>1,265,103</u>
Total supporting services	<u>3,621,242</u>	<u>-</u>	<u>3,621,242</u>
Total expenses	<u>22,608,224</u>	<u>-</u>	<u>22,608,224</u>
Changes in net assets before other item	(1,843,332)	(1,088,845)	(2,932,177)
<b>OTHER ITEM</b>			
De-obligated awards and funds returned to donors	<u>-</u>	<u>(3,420)</u>	<u>(3,420)</u>
Changes in net assets	(1,843,332)	(1,092,265)	(2,935,597)
Net assets at beginning of year	<u>8,840,851</u>	<u>4,630,653</u>	<u>13,471,504</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 6,997,519</u></b>	<b><u>\$ 3,538,388</u></b>	<b><u>\$ 10,535,907</u></b>

## WATER FOR PEOPLE

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Supporting Services</u>				<u>Total Expenses</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>	
Direct program expenses and country contributions	\$ 6,565,605	\$ -	\$ -	\$ -	\$ 6,565,605
Salaries and benefits	6,759,259	1,817,355	804,530	2,621,885	9,381,144
Professional fees and contract services	860,937	154,032	25,354	179,386	1,040,323
Training, travel and meetings	659,732	8,808	20,663	29,471	689,203
Other	61,886	75,465	174,382	249,847	311,733
Rent/occupancy	447,556	107,076	56,853	163,929	611,485
Depreciation	147,632	39,016	16,227	55,243	202,875
Technology and supplies	499,028	128,879	16,784	145,663	644,691
Gifts in-kind expense	357,415	67,038	-	67,038	424,453
Telephone	142,556	7,499	95	7,594	150,150
Insurance	54,506	75,419	-	75,419	129,925
Printing, publications and website	182,225	11,841	46,732	58,573	240,798
<b>TOTAL</b>	<b><u>\$ 16,738,337</u></b>	<b><u>\$ 2,492,428</u></b>	<b><u>\$ 1,161,620</u></b>	<b><u>\$ 3,654,048</u></b>	<b><u>\$ 20,392,385</u></b>

See accompanying notes to consolidated financial statements.



## WATER FOR PEOPLE

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<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	\$ 8,880,089	\$ -	\$ -	\$ -	\$ 8,880,089
Salaries and benefits	5,783,901	1,379,910	962,419	2,342,329	8,126,230
Professional fees and contract services	1,012,270	168,873	13,330	182,203	1,194,473
Training, travel and meetings	1,451,694	66,943	142,456	209,399	1,661,093
Other	70,640	113,941	84,462	198,403	269,043
Rent/occupancy	413,356	236,708	-	236,708	650,064
Depreciation	183,729	17,868	-	17,868	201,597
Technology and supplies	324,944	104,352	1,664	106,016	430,960
Gifts in-kind expense	441,291	135,940	7,100	143,040	584,331
Telephone	131,613	5,461	425	5,886	137,499
Insurance	58,491	69,447	-	69,447	127,938
Printing, publications and website	234,964	56,696	53,247	109,943	344,907
<b>TOTAL</b>	<b><u>\$ 18,986,982</u></b>	<b><u>\$ 2,356,139</u></b>	<b><u>\$ 1,265,103</u></b>	<b><u>\$ 3,621,242</u></b>	<b><u>\$ 22,608,224</u></b>

See accompanying notes to consolidated financial statements.

## WATER FOR PEOPLE

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 2,521,286	\$ (2,935,597)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	202,875	201,597
Realized and unrealized loss (gain)	812	(98,641)
Change in discount on long-term receivables	(9,760)	(4,959)
Change in allowance for bad debt	34,131	-
(Increase) decrease in:		
Grants and pledges receivable, net	(1,430,786)	554,411
Accounts receivable	721,495	(745,911)
Prepaid expenses	13,078	227,713
(Decrease) increase in:		
Accounts payable and accrued liabilities	(1,809,662)	1,285,810
Provision for unanticipated losses	15,760	(11,224)
Deferred revenue	672,237	184,969
Deferred rent	<u>(26,166)</u>	<u>(21,048)</u>
Net cash provided (used) by operating activities	<u>905,300</u>	<u>(1,362,880)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(111,958)	(142,376)
Purchases of investments	(3,594,165)	(5,496,308)
Proceeds from sales of investments	<u>3,200,000</u>	<u>3,050,000</u>
Net cash used by investing activities	<u>(506,123)</u>	<u>(2,588,684)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from note payable	<u>776,192</u>	<u>-</u>
Net cash provided by financing activities	<u>776,192</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	1,175,369	(3,951,564)
Cash and cash equivalents at beginning of year	<u>1,450,005</u>	<u>5,401,569</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 2,625,374</u></b>	<b><u>\$ 1,450,005</u></b>

## WATER FOR PEOPLE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020 AND 2019

#### 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 a 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 formally 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* and Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statements of Activities and Changes in Net Assets as net assets released from donor restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

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 and Nicaragua.

## WATER FOR PEOPLE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020 AND 2019

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

##### Basis of presentation (continued) -

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.

##### New accounting pronouncements adopted -

During fiscal year 2020, WFP early adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), as amended. The ASU provides a framework for recognizing revenue and is intended to improve comparability of revenue recognition practices across for-profit and non-profit entities. Analysis of the various provisions of this standard resulted in no significant changes in the way WFP recognized revenue; however, the presentation and disclosures of revenue have been enhanced. WFP has elected to opt out of all (or certain) disclosures not required for nonpublic entities and also elected a modified retrospective approach for implementation.

Also during fiscal year 2020, WFP adopted ASU 2018-08, *Not-for-Profit Entities* (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This guidance is intended to clarify and improve the scope and the accounting guidance for contributions received and contributions made. Key provisions in this guidance include clarification regarding the accounting for grants and contracts as exchange transactions or contributions, and improved guidance to better distinguish between conditional and unconditional contributions. WFP adopted the ASU using a modified prospective basis.

##### 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.

WFP had approximately \$350,000 and \$140,000 of cash and cash equivalents held at financial institutions in foreign countries at September 30, 2020 and 2019, respectively. The majority of funds invested in foreign countries are uninsured.

##### 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 accompanying Consolidated Statements of Activities and Changes in Net Assets.

##### Grants and pledges receivable, net -

Grants and pledges receivable are recorded at their net realizable value, which approximates fair value.

## WATER FOR PEOPLE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020 AND 2019

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

##### Grants and pledges receivable, net (continued) -

Grants and pledges receivable that are expected to be collected in future years are recorded at the present value of their future cash flows.

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. An allowance for doubtful accounts has been established based on historical trends of pledge fulfillment, as well as the confidence level of current outstanding pledges.

##### Accounts receivable -

Accounts receivable are recorded at their net realizable value, which approximates fair value. Management considers all amounts 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, 2020 and 2019 totaled \$202,875 and \$201,597, 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. Additionally, all controlled entities have been granted tax exempt status within their respective countries.

##### Uncertain tax positions -

For the years ended September 30, 2020 and 2019, 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.

##### Revenue -

##### Grants and contributions -

The majority of WFP's revenue is received through grants and contributions from individuals, corporations, private foundations, international organizations and other entities. Grants and contributions are recognized in the appropriate category of net assets in the period received.

## WATER FOR PEOPLE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020 AND 2019

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

Revenue (continued) -

Grants and contributions (continued) -

WFP performs an analysis of the individual grants and contributions to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction depending upon whether the transactions are deemed nonreciprocal or reciprocal.

For contributions and grants qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Grants and contributions qualifying as contributions that are unconditional that have donor restrictions are recognized as "without donor restrictions" 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 net assets with donor restrictions in the accompanying consolidated financial statements.

Grants and contributions qualifying as conditional contributions contain a right of return and a barrier. Revenue is recognized when the condition or conditions are satisfied. Certain grants and contributions are for direct and indirect program costs. These transactions are nonreciprocal and classified as conditional and are recognized as contributions when the revenue becomes unconditional. Typically, these agreements also contain a right of return or right of release from obligation provision and the entity has limited discretion over how funds transferred should be spent. As such, WFP recognizes revenue for these conditional contributions when the related barrier has been overcome (generally, when qualifying expenditures are incurred). Funds received in advance of the incurrence of qualifying expenditures are recorded as deferred revenue. For grants and contributions treated as contributions, WFP had approximately \$4,450,376 and \$2,179,987 in unrecognized conditional awards as of September 30, 2020 and 2019, respectively.

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.

Royalty income -

WFP has several commercial co-venture ("CCV") agreements with for-profit companies in which the for-profit company advertises that the purchase or use of its goods or services will benefit WFP's mission. This most often takes the form of a set donation per unit of product sold. Such income is recognized as royalty income in the accompanying statement of activities and is considered to be earned when the corresponding sales take place.

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.

## WATER FOR PEOPLE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020 AND 2019

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

##### Foreign currency translation (continued) -

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 Consolidated Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of WFP are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis.

##### 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. WFP's current investment portfolio consists predominantly of money market funds that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Accordingly, management believes the risks associated with the investment portfolio to be minimal. Management believes the associated risks to be minimal.

##### 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.

**WATER FOR PEOPLE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

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

Economic uncertainties -

On March 11, 2020, the World Health Organization declared the Coronavirus disease (COVID-19) a global pandemic. As a result of the spread of COVID-19, economic uncertainties have arisen. The overall potential impact on WFP's operations is unknown at this time.

New accounting pronouncements (not yet adopted) -

ASU 2019-01, *Leases* (Topic 842) changes the accounting treatment for operating leases by requiring recognition of a lease asset and lease liability at the present value of the lease payments in the Statement of Financial Position and disclosure of key information about leasing arrangements. During 2020, the FASB issued ASU 2020-05 which delayed the implementation date by one year. The ASU is effective for non public entities for fiscal years beginning after December 15, 2021. Early adoption is still permitted. The ASU can be applied at the beginning of the earliest period presented using a modified retrospective approach or applied at the beginning of the period of adoption recognizing a cumulative-effect adjustment. WFP plans to adopt the new ASU at the respective required implementation date.

**2. INVESTMENTS**

Investments consisted of the following as of September 30, 2020 and 2019:

	<b>2020</b>	<b>2019</b>
	<b>Fair Value</b>	<b>Fair Value</b>
Money market funds	\$ 7,413,501	\$ 7,021,199
Equity mutual funds	1,051	-
<b>TOTAL INVESTMENTS</b>	<b>\$ 7,414,552</b>	<b>\$ 7,021,199</b>

Included in investment income are the following:

	<b>2020</b>	<b>2019</b>
Interest and dividends	\$ 43,456	\$ 59,825
Realized and unrealized (loss) gain	(812)	98,641
<b>TOTAL INVESTMENT INCOME</b>	<b>\$ 42,644</b>	<b>\$ 158,466</b>

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.



## WATER FOR PEOPLE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020 AND 2019

#### 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 or changes in the valuation methodologies used during the years ended September 30, 2020 and 2019. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Money market funds* - The money market fund is an open-end fund that is registered with the Securities and Exchange Commission (SEC) and is deemed to be actively traded.
- *Equity mutual funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by WFP are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual funds held by WFP are deemed to be actively traded.

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, 2020.

	Level 1	Level 2	Level 3	Total
<b>Asset Class:</b>				
Money market funds	\$ 7,413,501	\$ -	\$ -	\$ 7,413,501
Equity mutual funds	1,051	-	-	1,051
<b>TOTAL</b>	<b>\$ 7,414,552</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,414,552</b>

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, 2019.

	Level 1	Level 2	Level 3	Total
<b>Asset Class:</b>				
<b>Money Market Funds</b>	<b>\$ 7,021,199</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,021,199</b>

#### 3. GRANTS AND PLEDGES RECEIVABLE

As of September 30, 2020 and 2019, contributors to WFP have made written promises to give totaling \$6,310,172 and \$4,879,386, 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 .20% as of September 30, 2020, and 4.78% as of September 30, 2019.

**WATER FOR PEOPLE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

**3. GRANTS AND PLEDGES RECEIVABLE (Continued)**

Grants and pledges receivable are due as follows at September 30, 2020 and 2019:

	<b>2020</b>	<b>2019</b>
Less than one year	\$ 3,735,172	\$ 4,709,586
One to five years	2,575,000	169,800
Total	6,310,172	4,879,386
Less: Allowance to discount balance to present value	(7,677)	(17,437)
Less: Reserve for uncollectable grants	(34,131)	-
<b>GRANTS RECEIVABLE</b>	<b>\$ 6,268,364</b>	<b>\$ 4,861,949</b>

**4. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at September 30, 2020 and 2019:

	<b>2020</b>	<b>2019</b>
Equipment	\$ 82,795	\$ 120,688
Furniture	117,941	130,945
Computer software and equipment	242,266	1,369,802
Vehicles	1,035,416	1,035,210
Leasehold improvements	139,015	139,759
Collections	-	7,000
Total Property and equipment	1,617,433	2,803,404
Less: Accumulated depreciation and amortization	(1,199,210)	(2,294,264)
<b>NET PROPERTY AND EQUIPMENT</b>	<b>\$ 418,223</b>	<b>\$ 509,140</b>

**5. NOTE PAYABLE**

On May 5, 2020, WFP received loan proceeds in the amount of \$776,192 under the Paycheck Protection Program. The promissory note calls for monthly principal and interest payments amortized over the term of the promissory note with a deferral of payments for the first six months. Under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the promissory note may be forgiven by the Small Business Administration in whole or in part. WFP intends to use the proceeds for purposes consistent with the Paycheck Protection Program and believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan. WFP intends to apply for forgiveness after completing the 24 week period. If forgiveness is granted, WFP will record revenue from debt extinguishments during the period that forgiveness was approved. Principal payments as stated in the promissory note are due as follows unless otherwise forgiven:

**Year Ending September 30,**

2021	\$ 471,443
2022	304,749
	<b>\$ 776,192</b>

## WATER FOR PEOPLE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020 AND 2019

#### 6. 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 (.148% and 2.016% as of September 30, 2020 and 2019, respectively).

There were no outstanding balances on the line of credit as of September 30, 2020 and 2019. The line of credit is collateralized by cash held with the bank.

#### 7. 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 years ended September 30, 2020 and 2019:

	<u>Without Donor Restrictions</u>			<u>Total With Donor Restrictions</u>	<u>Total Net Assets</u>
	<u>Undesignated</u>	<u>Board Designated</u>	<u>Total Without Donor Restrictions</u>		
Balance at September 30, 2018	\$ 6,840,851	\$ 2,000,000	\$ 8,840,851	\$ 4,630,653	\$ 13,471,504
Revenue	6,046,812	-	6,046,812	13,629,235	19,676,047
Net assets released from donor restrictions	14,718,080	-	14,718,080	(14,718,080)	-
Expenses	(22,462,755)	-	(22,462,755)	-	(22,462,755)
Other items	-	-	-	(3,420)	(3,420)
Change in net assets before SIF appropriations	(1,697,863)	-	(1,697,863)	(1,092,265)	(2,790,128)
SIF appropriations	-	(145,469)	(145,469)	-	(145,469)
Change in net assets	(1,697,863)	(145,469)	(1,843,332)	(1,092,265)	(2,935,597)
Balance at September 30, 2019	5,142,988	1,854,531	6,997,519	3,538,388	10,535,907
Revenue	8,097,406	-	8,097,406	14,892,861	22,990,267
Net assets released from donor restrictions	12,928,602	-	12,928,602	(12,928,602)	-
Expenses	(20,083,442)	-	(20,083,442)	-	(20,083,442)
Other items	-	-	-	(76,596)	(76,596)
Change in net assets before SIF appropriations	942,566	-	942,566	1,887,663	2,830,229
SIF appropriations	-	(308,943)	(308,943)	-	(308,943)
Change in net assets	942,566	(308,943)	633,623	1,887,663	2,521,286
<b>BALANCE AT SEPTEMBER 30, 2020</b>	<b>\$ 6,085,554</b>	<b>\$ 1,545,588</b>	<b>\$ 7,631,142</b>	<b>\$ 5,426,051</b>	<b>\$ 13,057,193</b>

## WATER FOR PEOPLE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020 AND 2019

#### 8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at September 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Water for People general funding	\$ 221,910	\$ 150,000
Malawi charity:Water	-	509,367
Malawi One Foundation	184,628	253,109
Malawi Thankyou	68,943	-
Malawi UNICEF	92,778	-
Bolivia Geisse Foundation	50,000	-
IRC WASH	30,576	-
India - Skoll Foundation	39,814	-
India charity:Water	-	143,909
Rwanda James Percy Foundation	361,669	-
Rwanda charity:Water	-	882,202
Rwanda Moskovitz Foundation	3,750,000	-
Rwanda UNICEF	-	12,090
Rwanda anonymous	-	87,198
Rwanda One Foundation	117,468	-
Peru Green Empowerment	-	11,537
Peru James Percy Foundation	-	626,977
Uganda charity:Water	-	278,116
Uganda GIZ	-	14,106
Uganda Kampala Capitol City Authority	411,980	569,777
Uganda Waterloo Foundation	<u>96,285</u>	<u>-</u>
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b><u>\$ 5,426,051</u></b>	<b><u>\$ 3,538,388</u></b>

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

	<u>2020</u>	<u>2019</u>
Water for People general funding	\$ 150,000	\$ 100,020
Malawi program general funding	17,000	2,770
Malawi charity:Water	1,484,563	1,490,954
Malawi LDS Charities	500,000	500,019
Malawi One Foundation	78,148	126,855
Malawi UNICEF	235,712	1,434
Malawi Thankyou	76,765	-
Bolivia program general funding	160,873	-
Bolivia Kimberly Clark Corporation	60,500	60,500
Bolivia Swedish Postcode Foundation	-	78,495
Guatemala program general funding	5,800	5,500
Guatemala Atlas Corporation	50,000	-
Guatemala Colgate	65,929	-
Guatemala EDUCO	41,801	108,582
Guatemala Kimberly Clark Corporation	60,500	60,500
Guatemala LDS Charities	300,019	300,019
Guatemala One Drop	197,579	664,067
Guatemala TOMS Shoes	-	50,000
Honduras Inter-American Development Bank	-	18,627
Honduras Kimberly Clark Corporation	60,500	60,500
Honduras LDS Charities	300,019	300,019
India Colgate	150,000	150,000
India charity:Water	334,859	412,277
India One Drop	412,227	346,748
India Skoll Foundation	10,187	-
Rwanda program general funding	-	7,500
Rwanda Suez	50,000	-
Rwanda Coca-Cola RAIN	-	31,000
Rwanda charity:Water	2,947,205	3,926,869
Rwanda James Percy Foundation	<u>265,308</u>	<u>137,097</u>

## WATER FOR PEOPLE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020 AND 2019

#### 8. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

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

	2020	2019
Rwanda LDS Charities	\$ 300,019	\$ 300,019
Rwanda Moskovitz Foundation	1,250,000	1,000,000
Rwanda One Foundation	145,308	253,710
Rwanda SNV	150,372	112,248
Rwanda UNICEF	23,990	7,556
Rwanda Vitol Foundation	87,198	-
Rwanda anonymous	-	80,156
Peru program general funding	50,000	-
Peru Water for People Canada	-	264,980
Peru Caterpillar Foundation	400,000	300,197
Peru Green Empowerment	24,191	6,405
Peru Kimberly Clark Foundation	85,500	85,500
Uganda program general funding	-	15,000
Uganda Adventure Project	7,000	85,000
Uganda charity:Water	1,296,964	1,183,804
Uganda GIZ	16,227	116,753
Uganda Hilton Foundation	-	1,058,572
Uganda Kampala Capitol City Authority	157,797	12,975
Uganda LDS Charities	300,019	300,019
Uganda UNOPS	95,736	-
Uganda Steve Rosenthal	50,000	50,000
Uganda UNICEF	-	68,037
Uganda Waterloo Foundation	96,285	-
Nicaragua program general funding	5,178	58,499
Nicaragua Atlas Corporation	-	50,000
Nicaragua Fray Damiano	-	7,779
Nicaragua Kimberly Clark Corporation	60,500	60,500
Nicaragua LDS Charities	300,000	300,019
IRC WASH	10,824	-
	<b>\$ 12,928,602</b>	<b>\$ 14,718,080</b>

#### 9. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Consolidated Statements of Financial Position date comprise the following:

	2020	2019
Cash and cash equivalents	\$ 2,625,374	\$ 1,450,005
Investments	7,414,552	7,021,199
Grants and pledges receivable, net	6,268,364	4,861,949
Accounts receivable	198,699	920,194
	16,506,989	14,253,347
Subtotal financial assets available within one year	16,506,989	14,253,347
Less: Donor restricted funds	(5,426,051)	(3,538,388)
Less: Board-designated funds	(1,545,588)	(1,854,531)
	<b>\$ 9,535,350</b>	<b>\$ 8,860,428</b>

#### FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR

**\$ 9,535,350      \$ 8,860,428**

## WATER FOR PEOPLE

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020 AND 2019

#### 9. LIQUIDITY AND AVAILABILITY (Continued)

WFP has a policy to structure its financial assets to be available and liquid as its obligations become due. As of September 30, 2020 and 2019, WFP had financial assets equal to approximately six and five months of operating expenses, respectively. In addition, WFP has a line of credit agreement (as further discussed in Note 6) which allows for additional available borrowings up to \$1,500,000.

#### 10. GIFTS IN-KIND

During the years ended September 30, 2020 and 2019, 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 for the years ended September 30, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Donated IT software	\$ 137,151	\$ 166,647
Donated services	155,299	168,513
Donated space, materials and other	<u>120,539</u>	<u>26,100</u>
<b>TOTAL</b>	<b><u>\$ 412,989</u></b>	<b><u>\$ 361,260</u></b>

The following donations have been included in expense for the years ended September 30, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Donated IT software	\$ 125,039	\$ 389,668
Donated services	178,875	187,513
Donated space, materials and other	<u>120,539</u>	<u>7,150</u>
<b>TOTAL</b>	<b><u>\$ 424,453</u></b>	<b><u>\$ 584,331</u></b>

#### 11. 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 under the aforementioned lease agreement 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, 2020 AND 2019

#### 11. LEASE COMMITMENTS (Continued)

WFP also leases office space in foreign countries under lease agreements which expire at various dates from 2021 to 2024.

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

#### Year Ending September 30,

2021	\$	226,276
2022		144,364
2023		47,506
2024		<u>31,671</u>
	\$	<u>449,817</u>

Rent expense for the years ended September 30, 2020 and 2019 was \$326,818 and \$332,923, respectively. As of September 30, 2020 and 2019, the deferred rent liability is \$52,048 and \$78,214, respectively.

#### 12. RETIREMENT PLAN

WFP provides retirement benefits to its US 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, 2020 and 2019 totaled \$190,719 and \$175,346, respectively.

#### 13. CONCENTRATION OF REVENUE

For the years ended September 30, 2020 and 2019, three donors provided approximately 49% and 51%, respectively, of WFP's total revenue. Approximately \$4,600,000 and \$2,300,000 of the balance of grants and pledges receivable as of September 30, 2020 and 2019 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.

#### 14. SUBSEQUENT EVENTS

In preparing these consolidated financial statements, WFP has evaluated events and transactions for potential recognition or disclosure through March 2, 2021, the date the consolidated financial statements were issued.

## **SUPPLEMENTAL INFORMATION**



**WATER FOR PEOPLE**  
**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Denver	Malawi	Bolivia	Guatemala	Honduras	India	Rwanda	Peru	Uganda	Nicaragua	Total
<b>ASSETS</b>											
<b>CURRENT ASSETS</b>											
Cash and cash equivalents	\$ 2,273,180	\$ 30,008	\$ 4,574	\$ 37,385	\$ 5,048	\$ 62,637	\$ 118,175	\$ 14,732	\$ 73,881	\$ 5,754	\$ 2,625,374
Investments	7,414,552	-	-	-	-	-	-	-	-	-	7,414,552
Grants and pledges receivable, net	3,250,378	73,057	-	32,667	-	-	-	-	379,070	-	3,735,172
Accounts receivable	26,219	93,010	640	29,902	7,784	9,856	4,603	4,439	20,332	1,914	198,699
Prepaid expenses	135,903	9,319	1,037	-	4,289	4,269	12,392	-	32,709	-	199,918
Total current assets	13,100,232	205,394	6,251	99,954	17,121	76,762	135,170	19,171	505,992	7,668	14,173,715
<b>PROPERTY AND EQUIPMENT, NET</b>	151,261	46,101	36,415	1,250	26,288	14,193	48,991	742	85,781	7,201	418,223
<b>OTHER ASSETS</b>											
Grants and pledges receivable, net of current portion	2,533,192	-	-	-	-	-	-	-	-	-	2,533,192
<b>TOTAL ASSETS</b>	<b>\$ 15,784,685</b>	<b>\$ 251,495</b>	<b>\$ 42,666</b>	<b>\$ 101,204</b>	<b>\$ 43,409</b>	<b>\$ 90,955</b>	<b>\$ 184,161</b>	<b>\$ 19,913</b>	<b>\$ 591,773</b>	<b>\$ 14,869</b>	<b>\$ 17,125,130</b>
<b>LIABILITIES AND NET ASSETS</b>											
<b>CURRENT LIABILITIES</b>											
Note payable	\$ 471,443	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 471,443
Accounts payable and accrued liabilities	806,579	93,327	236,546	217,313	158,921	77,872	380,330	96,246	160,025	41,796	2,268,955
Provision for unanticipated losses	94,536	-	-	-	-	-	-	-	-	-	94,536
Deferred revenue	828,213	43,882	-	4,111	-	-	-	-	-	-	876,206
Deferred rent	18,203	-	-	-	-	-	-	-	-	-	18,203
Total current liabilities	2,218,974	137,209	236,546	221,424	158,921	77,872	380,330	96,246	160,025	41,796	3,729,343
<b>LONG-TERM LIABILITIES</b>											
Note payable, net of current portion	304,749	-	-	-	-	-	-	-	-	-	304,749
Deferred rent, net of current portion	33,845	-	-	-	-	-	-	-	-	-	33,845
Total long-term liabilities	338,594	-	-	-	-	-	-	-	-	-	338,594
Total liabilities	2,557,568	137,209	236,546	221,424	158,921	77,872	380,330	96,246	160,025	41,796	4,067,937
<b>NET ASSETS</b>											
Without donor restrictions	8,522,485	(95,416)	(193,880)	(184,882)	(115,512)	13,083	(230,785)	(76,333)	19,309	(26,927)	7,631,142
With donor restrictions	4,704,632	209,702	-	64,662	-	-	34,616	-	412,439	-	5,426,051
Total net assets	13,227,117	114,286	(193,880)	(120,220)	(115,512)	13,083	(196,169)	(76,333)	431,748	(26,927)	13,057,193
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 15,784,685</b>	<b>\$ 251,495</b>	<b>\$ 42,666</b>	<b>\$ 101,204</b>	<b>\$ 43,409</b>	<b>\$ 90,955</b>	<b>\$ 184,161</b>	<b>\$ 19,913</b>	<b>\$ 591,773</b>	<b>\$ 14,869</b>	<b>\$ 17,125,130</b>

**WATER FOR PEOPLE**  
**CONSOLIDATING SCHEDULE OF ACTIVITY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Denver		Malawi	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
<b>REVENUE</b>				
Grants and contributions	\$ 7,468,027	\$ 14,892,861	\$ 481,640	\$ 2,249,055
Gifts in-kind	400,959	-	-	-
Royalty income	154,838	-	-	-
Investment income	40,798	-	18	-
Special events	1,681	-	-	-
Other revenue	(21,969)	-	(9,266)	-
Net assets released from donor restrictions	12,928,602	(12,928,602)	2,249,055	(2,249,055)
Total revenue	20,972,936	1,964,259	2,721,447	-
<b>EXPENSES</b>				
Program Services	18,304,119	-	2,427,361	-
Supporting Services:				
Management and General	2,492,428	-	-	-
Fundraising	1,161,620	-	-	-
Total supporting services	3,654,048	-	-	-
Total expenses	21,958,167	-	2,427,361	-
Change in net assets before other item	(985,231)	1,964,259	294,086	-
<b>OTHER ITEM</b>				
De-obligated awards and funds returned to donors	-	(76,586)	-	(10)
Change in net assets	(985,231)	1,887,673	294,086	(10)
Net assets at beginning of year	9,507,716	2,816,959	(389,502)	209,712
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 8,522,485</b>	<b>\$ 4,704,632</b>	<b>\$ (95,416)</b>	<b>\$ 209,702</b>

SCHEDULE 2

Bolivia		Guatemala		Honduras		India	
Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
\$ 417,528	\$ 221,373	\$ 69,121	\$ 692,149	\$ 189,319	\$ 331,590	\$ 49,879	\$ 823,783
12,030	-	-	-	-	-	-	-
-	-	843	-	5	-	-	-
-	-	-	-	-	-	-	-
(5,471)	-	8,319	-	519	-	143	-
221,373	(221,373)	692,149	(692,149)	331,590	(331,590)	823,783	(823,783)
645,460	-	770,432	-	521,433	-	873,805	-
683,349	-	818,740	-	526,070	-	837,648	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
683,349	-	818,740	-	526,070	-	837,648	-
(37,889)	-	(48,308)	-	(4,637)	-	36,157	-
-	-	-	-	-	-	-	-
(37,889)	-	(48,308)	-	(4,637)	-	36,157	-
(155,991)	-	(136,574)	64,662	(110,875)	-	(23,074)	-
<b>\$ (193,880)</b>	<b>\$ -</b>	<b>\$ (184,882)</b>	<b>\$ 64,662</b>	<b>\$ (115,512)</b>	<b>\$ -</b>	<b>\$ 13,083</b>	<b>\$ -</b>

**WATER FOR PEOPLE**  
**CONSOLIDATING SCHEDULE OF ACTIVITY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Rwanda		Peru	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
<b>REVENUE</b>				
Grants and contributions	\$ 938,785	\$ 3,494,758	\$ 64,192	\$ 558,993
Gifts in-kind	-	-	-	-
Royalty income	-	-	-	-
Investment income	959	-	-	-
Special events	-	-	-	-
Other revenue	22,635	-	7,217	-
Net assets released from donor restrictions	3,494,758	(3,494,758)	558,993	(558,993)
Total revenue	4,457,137	-	630,402	-
<b>EXPENSES</b>				
Program Services	3,571,836	-	571,873	-
Supporting Services:				
Management and General	-	-	-	-
Fundraising	-	-	-	-
Total supporting services	-	-	-	-
Total expenses	3,571,836	-	571,873	-
Change in net assets before other item	885,301	-	58,529	-
<b>OTHER ITEM</b>				
De-obligated awards and funds returned to donors	-	-	-	-
Change in net assets	885,301	-	58,529	-
Net assets at beginning of year	(1,116,086)	34,616	(134,862)	-
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ (230,785)</b>	<b>\$ 34,616</b>	<b>\$ (76,333)</b>	<b>\$ -</b>

**SCHEDULE 2  
(Continued)**

Uganda		Nicaragua		Eliminations		Consolidated Total	
Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
\$ (7,754)	\$ 2,699,524	\$ 72,750	\$ 317,618	\$ (2,275,460)	\$ (11,388,843)	\$ 7,468,027	\$ 14,892,861
-	-	-	-	-	-	412,989	-
-	-	-	-	-	-	154,838	-
-	-	21	-	-	-	42,644	-
-	-	-	-	-	-	1,681	-
7,755	-	7,345	-	-	-	17,227	-
2,699,524	(2,699,524)	317,618	(317,618)	(11,388,843)	11,388,843	12,928,602	(12,928,602)
2,699,525	-	397,734	-	(13,664,303)	-	21,026,008	1,964,259
2,342,931	-	318,713	-	(13,664,303)	-	16,738,337	-
-	-	-	-	-	-	2,492,428	-
-	-	-	-	-	-	1,161,620	-
-	-	-	-	-	-	3,654,048	-
2,342,931	-	318,713	-	(13,664,303)	-	20,392,385	-
356,594	-	79,021	-	-	-	633,623	1,964,259
-	-	-	-	-	-	-	(76,596)
356,594	-	79,021	-	-	-	633,623	1,887,663
(337,285)	412,439	(105,948)	-	-	-	6,997,519	3,538,388
<b>\$ 19,309</b>	<b>\$ 412,439</b>	<b>\$ (26,927)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,631,142</b>	<b>\$ 5,426,051</b>