

CONSOLIDATED FINANCIAL STATEMENTS

WATER FOR PEOPLE

**FOR THE YEARS ENDED
SEPTEMBER 30, 2021 AND 2020**

WATER FOR PEOPLE

CONTENTS

	PAGE NO.
INDEPENDENT AUDITOR'S REPORT	2 - 3
EXHIBIT A - Consolidated Statements of Financial Position, as of September 30, 2021 and 2020	4
EXHIBIT B - Consolidated Statement of Activities and Change in Net Assets, for the Year Ended September 30, 2021	5
EXHIBIT C - Consolidated Statement of Activities and Change in Net Assets, for the Year Ended September 30, 2020	6
EXHIBIT D - Consolidated Statement of Functional Expenses, for the Year Ended September 30, 2021	7
EXHIBIT E - Consolidated Statement of Functional Expenses, for the Year Ended September 30, 2020	8
EXHIBIT F - Consolidated Statements of Cash Flows, for the Years Ended September 30, 2021 and 2020	9
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	10 - 22
SUPPLEMENTAL INFORMATION	
SCHEDULE 1 - Consolidating Schedule of Financial Position, for the Year Ended September 30, 2021	23
SCHEDULE 2 - Consolidating Schedule of Activities, for the Year Ended September 30, 2021	24 - 27



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, 2021 and 2020, 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, 2021 and 2020, 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 on page 23 and the Consolidating Schedule of Activities 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".

February 21, 2022

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**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2021 AND 2020**

ASSETS

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,940,042	\$ 2,625,374
Investments	6,956,011	7,414,552
Grants and pledges receivable, net	4,940,506	3,735,172
Accounts receivable	414,803	198,699
Prepaid expenses and other	<u>358,852</u>	<u>199,918</u>
Total current assets	<u>14,610,214</u>	<u>14,173,715</u>
PROPERTY AND EQUIPMENT, NET	<u>339,057</u>	<u>418,223</u>
OTHER ASSETS		
Grants and pledges receivable, net of current portion	<u>1,228,361</u>	<u>2,533,192</u>
TOTAL ASSETS	<u>\$ 16,177,632</u>	<u>\$ 17,125,130</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Note payable	\$ -	\$ 471,443
Accounts payable and accrued liabilities	2,058,323	2,268,954
Provision for unanticipated losses	70,786	94,536
Refundable advances	1,910,560	876,206
Deferred rent	<u>18,203</u>	<u>33,846</u>
Total current liabilities	<u>4,057,872</u>	<u>3,744,985</u>
LONG-TERM LIABILITIES		
Note payable, net of current portion	-	304,749
Deferred rent, net of current portion	<u>-</u>	<u>18,203</u>
Total long-term liabilities	<u>-</u>	<u>322,952</u>
Total liabilities	<u>4,057,872</u>	<u>4,067,937</u>
NET ASSETS		
Without donor restrictions	8,287,526	7,631,142
With donor restrictions	<u>3,832,234</u>	<u>5,426,051</u>
Total net assets	<u>12,119,760</u>	<u>13,057,193</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 16,177,632</u>	<u>\$ 17,125,130</u>

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**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Grants and contributions	\$ 8,300,205	\$ 11,746,655	\$ 20,046,860
Gifts in-kind	215,504	-	215,504
Royalty income	4,542	-	4,542
Investment income, net	1,228	-	1,228
Special events, net of expenses	32,450	-	32,450
Other revenue	77,867	-	77,867
Net assets released from donor restrictions	<u>13,322,062</u>	<u>(13,322,062)</u>	<u>-</u>
Total support and revenue	<u>21,953,858</u>	<u>(1,575,407)</u>	<u>20,378,451</u>
EXPENSES			
Program Services	<u>18,127,341</u>	<u>-</u>	<u>18,127,341</u>
Supporting Services:			
Management and General	2,584,627	-	2,584,627
Fundraising	<u>1,368,964</u>	<u>-</u>	<u>1,368,964</u>
Total supporting services	<u>3,953,591</u>	<u>-</u>	<u>3,953,591</u>
Total expenses	<u>22,080,932</u>	<u>-</u>	<u>22,080,932</u>
Change in net assets before other items	(127,074)	(1,575,407)	(1,702,481)
OTHER ITEMS			
Forgiveness of debt principal and interest	783,458	-	783,458
De-obligated awards and funds returned to donors	<u>-</u>	<u>(18,410)</u>	<u>(18,410)</u>
Change in net assets	656,384	(1,593,817)	(937,433)
Net assets at beginning of year	<u>7,631,142</u>	<u>5,426,051</u>	<u>13,057,193</u>
NET ASSETS AT END OF YEAR	<u>\$ 8,287,526</u>	<u>\$ 3,832,234</u>	<u>\$ 12,119,760</u>

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**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
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, net	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 support and revenue	<u>21,026,008</u>	<u>1,964,259</u>	<u>22,990,267</u>
EXPENSES			
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>
Change in net assets before other item	633,623	1,964,259	2,597,882
OTHER ITEM			
De-obligated awards and funds returned to donors	<u>-</u>	<u>(76,596)</u>	<u>(76,596)</u>
Change 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>
NET ASSETS AT END OF YEAR	<u>\$ 7,631,142</u>	<u>\$ 5,426,051</u>	<u>\$ 13,057,193</u>

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**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<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	\$ 7,626,716	\$ -	\$ -	\$ -	\$ 7,626,716
Salaries and benefits	7,089,975	1,945,603	914,488	2,860,091	9,950,066
Professional fees and contract services	1,005,291	119,712	27,063	146,775	1,152,066
Training, travel and meetings	622,522	1,506	25,211	26,717	649,239
Other	64,853	78,440	120,905	199,345	264,198
Rent/occupancy	506,787	105,049	58,890	163,939	670,726
Depreciation and amortization	146,333	38,419	19,473	57,892	204,225
Technology and supplies	454,729	118,800	18,171	136,971	591,700
Gifts in-kind expense	123,953	49,712	51,438	101,150	225,103
Telephone	144,490	5,783	-	5,783	150,273
Insurance	56,646	74,283	-	74,283	130,929
Printing, publications and website	285,046	47,320	133,325	180,645	465,691
TOTAL	<u>\$ 18,127,341</u>	<u>\$ 2,584,627</u>	<u>\$ 1,368,964</u>	<u>\$ 3,953,591</u>	<u>\$ 22,080,932</u>

See accompanying notes to consolidated financial statements.

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

	<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	\$ 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 and amortization	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
TOTAL	<u>\$ 16,738,337</u>	<u>\$ 2,492,428</u>	<u>\$ 1,161,620</u>	<u>\$ 3,654,048</u>	<u>\$ 20,392,385</u>

See accompanying notes to consolidated financial statements.

WATER FOR PEOPLE

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (937,433)	\$ 2,521,286
Adjustments to reconcile changes in net assets to net cash (used) provided by operating activities:		
Depreciation and amortization	204,225	202,875
Realized and unrealized loss	1,414	812
Forgiveness of debt principal	(776,192)	-
Forgiveness of accrued interest on debt	(7,266)	-
Change in discount on long-term receivables	(5,660)	(9,760)
Change in allowance for bad debt	(1,509)	34,131
Gain on sale of property and equipment	(21,403)	-
Decrease (increase) in:		
Grants and pledges receivable	106,666	(1,430,786)
Accounts receivable	(216,104)	721,495
Prepaid expenses and other	(158,934)	13,078
(Decrease) increase in:		
Accounts payable and accrued liabilities	(203,365)	(1,809,662)
Provision for unanticipated losses	(23,750)	15,760
Refundable advances	1,034,354	672,237
Deferred rent	<u>(33,846)</u>	<u>(26,166)</u>
Net cash (used) provided by operating activities	<u>(1,038,803)</u>	<u>905,300</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(125,059)	(111,958)
Proceeds from sales of property and equipment	21,403	-
Purchases of investments	(2,042,873)	(3,594,165)
Proceeds from sales of investments	<u>2,500,000</u>	<u>3,200,000</u>
Net cash provided (used) by investing activities	<u>353,471</u>	<u>(506,123)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from note payable	<u>-</u>	<u>776,192</u>
Net cash provided by financing activities	<u>-</u>	<u>776,192</u>
Net (decrease) increase in cash and cash equivalents	(685,332)	1,175,369
Cash and cash equivalents at beginning of year	<u>2,625,374</u>	<u>1,450,005</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,940,042</u>	<u>\$ 2,625,374</u>

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

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. 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.

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

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

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, excluding money market funds held by investment managers in the amount of \$6,956,011 and \$7,413,501 as of September 30, 2021 and 2020, respectively. 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 \$480,000 and \$350,000 of cash and cash equivalents held at financial institutions in foreign countries at September 30, 2021 and 2020, respectively. A portion of the funds deposited 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, which is presented net of investment expenses paid to external investment advisors 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. 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.

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

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

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 five years (30 years for buildings or permanent structures). Leasehold improvements are amortized over the remaining life of the lease. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the years ended September 30, 2021 and 2020 totaled \$204,225 and \$202,875, 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, 2021 and 2020, 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. 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 under ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

For grants and contributions qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Grants and contributions qualifying as contributions that are unconditional and that have donor restrictions are recognized as "with donor restrictions" until actual expenses are incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions, at which time they are reclassified to "without donor restrictions". Funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements.

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

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

Revenue (continued) -

Grants and contributions (continued) -

Contributions and grants qualifying as conditional contributions contain a right of return from an obligation provision that limits WFP on how funds transferred should be spent. Additionally, a barrier is present that is related to the purpose of the agreement. Revenue is recognized when the condition or conditions on which they depend are substantially met. Most grant awards are for direct and indirect program costs. These transactions are nonreciprocal and classified as conditional and are therefore recognized as contributions when the revenue becomes unconditional. 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 refundable advances. For grants and contributions treated as contributions, WFP had approximately \$26,116,469 and \$4,450,400 in unrecognized conditional awards as of September 30, 2021 and 2020.

Gifts in-kind -

Gifts in-kind consist of donated software subscriptions, services, supplies and materials. 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. These are considered to be contributions and revenue recognition follows ASU 2018-08.

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 and Changes in Net Assets.

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.

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

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

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.

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.

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 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* improves generally accepted accounting principles (GAAP) by increasing the transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in this ASU address certain stakeholders' concerns about the lack of transparency relating to the measurement of contributed nonfinancial assets recognized by NFPs, as well as the amount of those contributions used in a NFP's programs and other activities.

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

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

New accounting pronouncements (not yet adopted) (continued) -

The ASU should be applied on a retrospective basis and is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Early adoption is permitted. The amendment will not change the recognition and measurement requirements for those contributed nonfinancial assets.

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 Consolidated Statements 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 ASUs at the required implementation date and management is currently in the process of evaluating the adoption methods and the impact of the new standards on its accompanying consolidated financial statements.

2. INVESTMENTS

Investments consisted of the following as of September 30, 2021 and 2020:

	2021	2020
	Fair Value	Fair Value
Money market funds	\$ 6,956,011	\$ 7,413,501
Equity mutual funds	-	1,051
TOTAL INVESTMENTS	\$ 6,956,011	\$ 7,414,552

Included in investment income are the following:

	2021	2020
Interest and dividends	\$ 2,944	\$ 43,731
Realized and unrealized loss	(1,414)	(812)
Investment expenses	(302)	(275)
TOTAL INVESTMENT INCOME, NET	\$ 1,228	\$ 42,644

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).

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

2. INVESTMENTS (Continued)

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. 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, 2021 and 2020. 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, 2021.

	Level 1	Level 2	Level 3	Total
Asset Class:				
Money market funds	\$ 6,956,011	\$ -	\$ -	\$ 6,956,011
Equity mutual funds	-	-	-	-
TOTAL	\$ 6,956,011	\$ -	\$ -	\$ 6,956,011

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
Asset Class:				
Money market funds	\$ 7,413,501	\$ -	\$ -	\$ 7,413,501
Equity mutual funds	1,051	-	-	1,051
TOTAL	\$ 7,414,552	\$ -	\$ -	\$ 7,414,552

WATER FOR PEOPLE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020**

3. GRANTS AND PLEDGES RECEIVABLE

As of September 30, 2021 and 2020, contributors to WFP have made written promises to give totaling \$6,203,506 and \$6,310,172, 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 .16% as of September 30, 2021, and .20% as of September 30, 2020.

Grants and pledges receivable are due as follows at September 30, 2021 and 2020:

	2021	2020
Less than one year	\$ 4,940,506	\$ 3,735,172
One to five years	1,263,000	2,575,000
Total	6,203,506	6,310,172
Less: Allowance to discount balance to present value	(2,017)	(7,677)
Less: Reserve for uncollectable grants	(32,622)	(34,131)
GRANTS RECEIVABLE	\$ 6,168,867	\$ 6,268,364

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at September 30, 2021 and 2020:

	2021	2020
Equipment	\$ 69,431	\$ 82,795
Furniture	117,869	117,941
Computer software and equipment	242,151	242,266
Vehicles	1,100,150	1,035,416
Leasehold improvements	138,864	139,015
Total Property and equipment	1,668,465	1,617,433
Less: Accumulated depreciation and amortization	(1,329,408)	(1,199,210)
NET PROPERTY AND EQUIPMENT	\$ 339,057	\$ 418,223

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 bore interest at a rate of 1.00% per year and called for monthly principal and interest payments amortized over the term of the promissory note with a deferral of payments for the first six months. WFP applied for forgiveness of the loan after completing the 24 week spending period. In April 2021, WFP received notification that the loan, plus all accrued interest thereon, had been forgiven in full by the Small Business Administration. The loan forgiveness has been recorded as forgiveness of debt in the other items section in the accompanying Consolidated Statements of Activities and Changes in Net Assets.

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

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 variable rate of 2.75% plus the 30-day LIBOR rate (.080% and .148% as of September 30, 2021 and 2020, respectively). Beginning January 1, 2022, the interest rate benchmark is the Secured Overnight Financing Rate (SOFR), rather than the LIBOR rate. There were no outstanding balances on the line of credit as of September 30, 2021 and 2020. 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 year's 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, 2021 and 2020:

	<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, 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	(20,392,385)	-	(20,392,385)	-	(20,392,385)
Other items	-	-	-	(76,596)	(76,596)
Change in net assets before SIF appropriations	633,623	-	633,623	1,887,663	2,521,286
SIF appropriations	308,943	(308,943)	-	-	-
Change in net assets	942,566	(308,943)	633,623	1,887,663	2,521,286
Balance at September 30, 2020	6,085,554	1,545,588	7,631,142	5,426,051	13,057,193
Revenue	8,631,796	-	8,631,796	11,746,655	20,378,451
Net assets released from donor restrictions	13,322,062	-	13,322,062	(13,322,062)	-
Expenses	(22,080,932)	-	(22,080,932)	-	(22,080,932)
Forgiveness of debt principal and interest	783,458	-	783,458	-	783,458
De-obligated funds	-	-	-	(18,410)	(18,410)
Change in net assets before SIF appropriations	656,384	-	656,384	(1,593,817)	(937,433)
SIF appropriations	261,150	(261,150)	-	-	-
Change in net assets	917,534	(261,150)	656,384	(1,593,817)	(937,433)
BALANCE AT SEPTEMBER 30, 2021	\$ 7,003,088	\$ 1,284,438	\$ 8,287,526	\$ 3,832,234	\$ 12,119,760

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at September 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Water for People general funding	\$ 50,000	\$ 221,910
Malawi One Foundation	-	184,628
Malawi Thankyou	-	68,943
Malawi UNICEF	1,329	92,778
Bolivia Geisse Foundation	-	50,000
Bolivia Kimberly Clark Corporation	175,000	-
IRC WASH	-	30,576
Guatemala AAC Agenda for Change	19,952	-
Guatemala Kimberly Clark Corporation	175,000	-
Honduras Kimberly Clark Corporation	150,000	-
India - Skoll Foundation	-	39,814
Rwanda James Percy Foundation	-	361,669
Rwanda Moskovitz Foundation	2,500,000	3,750,000
Rwanda IRC	222,500	-
Rwanda One Foundation	115,624	117,468
Peru Kimberly Clark Corporation	150,000	-
Uganda Kampala Capitol City Authority	172,829	411,980
Uganda Waterloo Foundation	-	96,285
Nicaragua Kimberly Clark Corporation	100,000	-
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 3,832,234</u>	<u>\$ 5,426,051</u>

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>2021</u>	<u>2020</u>
Water for People general funding	\$ 263,495	\$ 150,000
Malawi program general funding	-	17,000
Malawi charity:Water	1,496,671	1,484,563
Malawi LDS Charities	449,856	500,000
Malawi One Foundation	420,248	78,148
Malawi UNICEF	274,161	235,712
Malawi Thankyou	68,943	76,765
Bolivia program general funding	58,347	160,873
Bolivia Eurofins Foundation	36,500	-
Bolivia Geisse Foundation	50,000	-
Bolivia Kimberly Clark Corporation	175,000	60,500
Bolivia WFP Canada	144,134	-
Guatemala program general funding	240	5,800
Guatemala Atlas Corporation	-	50,000
Guatemala Colgate	48,148	65,929
Guatemala EDUJO	26,204	41,801
Guatemala DAI Global, LLC	30,055	-
Guatemala Freddy Rosenbaum Foundation	6,000	-
Guatemala Kimberly Clark Corporation	175,000	60,500
Guatemala LDS Charities	270,000	300,019
Guatemala One Drop	71,138	197,579
Guatemala Picet Group Foundation	136,364	-
Honduras program general funding	42,108	-
Honduras IRC	4,618	-
Honduras Kimberly Clark Corporation	150,000	60,500
Honduras LDS Charities	493,699	300,019
India program general funding	6,023	-
India Colgate	97,500	150,000
India charity:Water	357,410	334,859
India One Drop	429,480	412,227
India Skoll Foundation	39,813	10,187

WATER FOR PEOPLE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020**

8. NET ASSETS WITH DONOR RESTRICTIONS (Continued)

	<u>2021</u>	<u>2020</u>
Rwanda program general funding	\$ 28,000	\$ -
Rwanda Suez	-	50,000
Rwanda charity:Water	1,964,131	2,947,205
Rwanda James Percy Foundation	361,669	265,308
Rwanda LDS Charities	270,000	300,019
Rwanda Moskovitz Foundation	1,250,000	1,250,000
Rwanda One Foundation	272,044	145,308
Rwanda SNV	10	150,372
Rwanda UNICEF	-	23,990
Rwanda USAID	175,779	-
Rwanda Vitol Foundation	-	87,198
Rwanda World Food Programme	49,559	-
Peru program general funding	380	50,000
Peru Caterpillar Foundation	-	400,000
Peru Green Empowerment	59,039	24,191
Peru Kimberly Clark Foundation	150,000	85,500
Uganda Adventure Project	50,000	7,000
Uganda Agenda for Change	20,000	-
Uganda charity:Water	868,944	1,296,964
Uganda GIZ	656,260	16,227
Uganda Kampala Capitol City Authority	239,151	157,797
Uganda LDS Charities	270,000	300,019
Uganda UNOPS	279,466	95,736
Uganda Steve Rosenthal	-	50,000
Uganda Waterloo Foundation	96,285	96,285
Nicaragua program general funding	5,190	5,178
Nicaragua Atlas Corporation	65,000	-
Nicaragua Kimberly Clark Corporation	100,000	60,500
Nicaragua LDS Charities	270,000	300,000
IRC WASH	-	10,824
	<u> </u>	<u> </u>
NET ASSETS RELEASED FROM DONOR RESTRICTIONS	<u>\$ 13,322,062</u>	<u>\$ 12,928,602</u>

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:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1,940,042	\$ 2,625,374
Investments	6,956,011	7,414,552
Grants and pledges receivable, net	6,168,867	6,268,364
Accounts receivable	<u>414,803</u>	<u>198,699</u>
Subtotal financial assets available within one year	15,479,723	16,506,989
Less: Donor restricted funds	(3,832,234)	(5,426,051)
Less: Board designated funds	<u>(1,284,438)</u>	<u>(1,545,588)</u>
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	<u>\$ 10,363,051</u>	<u>\$ 9,535,350</u>

WFP has a policy to structure its financial assets to be available and liquid as its obligations become due.

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

9. LIQUIDITY AND AVAILABILITY (Continued)

As of September 30, 2021 and 2020, WFP had financial assets equal to approximately six months of operating expenses. 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, 2021 and 2020, 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, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Donated software subscriptions	\$ 108,392	\$ 137,151
Donated services	81,150	155,299
Donated supplies and materials	<u>25,962</u>	<u>120,539</u>
TOTAL	\$ <u>215,504</u>	\$ <u>412,989</u>

The following donations have been included in expense for the years ended September 30, 2021 and 2020.

	<u>2021</u>	<u>2020</u>
Donated software subscriptions	\$ 108,392	\$ 125,039
Donated services	81,150	178,875
Donated supplies and materials	<u>35,561</u>	<u>120,539</u>
TOTAL	\$ <u>225,103</u>	\$ <u>424,453</u>

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.

WFP also leases office space in foreign countries under lease agreements which expire at various dates from 2022 to 2025.

WATER FOR PEOPLE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2021 AND 2020

11. LEASE COMMITMENTS (Continued)

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

<u>Year Ending September 30,</u>	
2022	\$ 283,207
2023	154,657
2024	132,081
2025	96,000
2026	<u>96,000</u>
	<u>\$ 761,945</u>

Rent expense for the years ended September 30, 2021 and 2020 was \$382,391 and \$326,818, respectively, and is included in Rent/occupancy in the accompanying Consolidated Statements of Functional Expenses. As of September 30, 2021 and 2020, the deferred rent liability totaled \$18,203 and \$52,049, 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, 2021 and 2020 totaled \$208,292 and \$190,719, respectively. WFP also provides retirement benefits to overseas employees through various plans established under local laws. WFP's contributions to the overseas plans during the years ended September 30, 2021 and 2020 totaled \$220,893 and \$231,969, respectively.

13. CONCENTRATION OF REVENUE

For the years ended September 30, 2021 and 2020, three donors provided approximately 40% and 49%, respectively, of WFP's total revenue.

As of September 30, 2021, approximately \$4,900,000 of the balance of grants and pledges receivable was attributable to three donors.

As of September 30, 2020, approximately \$4,600,000 of the balance of grants and pledges receivable was attributable to two 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 February 21, 2022, the date the consolidated financial statements were issued.

SUPPLEMENTAL INFORMATION

WATER FOR PEOPLE

**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	ASSETS										
	Denver	Malawi	Bolivia	Guatemala	Honduras	India	Rwanda	Peru	Uganda	Nicaragua	Total
CURRENT ASSETS											
Cash and cash equivalents	\$ 1,459,308	\$ 91,442	\$ 36,766	\$ 3,338	\$ 21,310	\$ 47,383	\$ 114,394	\$ 53,175	\$ 99,618	\$ 13,308	\$ 1,940,042
Investments	6,956,011	-	-	-	-	-	-	-	-	-	6,956,011
Grants and pledges receivable, net	4,749,403	-	-	39,264	-	-	-	-	151,839	-	4,940,506
Accounts receivable	89,959	68,577	5,664	75	4,177	21,176	590	1,340	220,370	2,875	414,803
Prepaid expenses and other	190,286	9,690	1,038	-	3,713	3,779	117,645	(261)	32,962	-	358,852
Total current assets	13,444,967	169,709	43,468	42,677	29,200	72,338	232,629	54,254	504,789	16,183	14,610,214
PROPERTY AND EQUIPMENT, NET	71,440	60,347	10,595	23,796	16,529	10,603	76,492	347	63,749	5,159	339,057
OTHER ASSETS											
Grants and pledges receivable, net of current portion	1,228,361	-	-	-	-	-	-	-	-	-	1,228,361
TOTAL ASSETS	\$ 14,744,768	\$ 230,056	\$ 54,063	\$ 66,473	\$ 45,729	\$ 82,941	\$ 309,121	\$ 54,601	\$ 568,538	\$ 21,342	\$ 16,177,632
LIABILITIES AND NET ASSETS											
CURRENT LIABILITIES											
Accounts payable and accrued liabilities	\$ 873,557	\$ 126,434	\$ 203,455	\$ 194,106	\$ 142,794	\$ 75,810	\$ 174,330	\$ 158,359	\$ 40,143	\$ 69,335	\$ 2,058,323
Provision for unanticipated losses	70,786	-	-	-	-	-	-	-	-	-	70,786
Refundable advances	1,602,320	124,548	-	-	-	-	183,692	-	-	-	1,910,560
Deferred rent	18,203	-	-	-	-	-	-	-	-	-	18,203
Total current liabilities	2,564,866	250,982	203,455	194,106	142,794	75,810	358,022	158,359	40,143	69,335	4,057,872
Total liabilities	2,564,866	250,982	203,455	194,106	142,794	75,810	358,022	158,359	40,143	69,335	4,057,872
NET ASSETS											
Without donor restrictions	8,520,497	(20,926)	(149,392)	(127,633)	(97,065)	7,131	(48,901)	(103,758)	355,566	(47,993)	8,287,526
With donor restrictions	3,659,405	-	-	-	-	-	-	-	172,829	-	3,832,234
Total net assets	12,179,902	(20,926)	(149,392)	(127,633)	(97,065)	7,131	(48,901)	(103,758)	528,395	(47,993)	12,119,760
TOTAL LIABILITIES AND NET ASSETS	\$ 14,744,768	\$ 230,056	\$ 54,063	\$ 66,473	\$ 45,729	\$ 82,941	\$ 309,121	\$ 54,601	\$ 568,538	\$ 21,342	\$ 16,177,632

WATER FOR PEOPLE

**CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Denver		Malawi		Bolivia	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
REVENUE						
Grants and contributions	\$ 4,716,947	\$ 14,667,899	\$ 201,339	\$ 2,383,807	\$ 842,184	\$ 16,662
Gifts in-kind	189,542	-	-	-	13,838	-
Royalty income	4,542	-	-	-	-	-
Investment income, net	(925)	-	3	-	-	-
Special events, net	32,450	-	-	-	-	-
Other revenue	6,458	-	(2,783)	-	(4,459)	-
Net assets released from donor restrictions	15,713,126	(15,713,126)	2,575,099	(2,575,099)	16,662	(16,662)
Total revenue	20,662,140	(1,045,227)	2,773,658	(191,292)	868,225	-
EXPENSES						
Program Services	17,493,995	-	2,699,168	-	823,737	-
Supporting Services:						
Management and General	2,584,627	-	-	-	-	-
Fundraising	1,368,964	-	-	-	-	-
Total supporting services	3,953,591	-	-	-	-	-
Total expenses	21,447,586	-	2,699,168	-	823,737	-
Change in net assets before other items	(785,446)	(1,045,227)	74,490	(191,292)	44,488	-
OTHER ITEMS						
Forgiveness of debt	783,458	-	-	-	-	-
De-obligated awards and funds returned to donors	-	-	-	(18,410)	-	-
Change in net assets	(1,988)	(1,045,227)	74,490	(209,702)	44,488	-
Net assets at beginning of year	8,522,485	4,704,632	(95,416)	209,702	(193,880)	-
NET ASSETS AT END OF YEAR	\$ 8,520,497	\$ 3,659,405	\$ (20,926)	\$ -	\$ (149,392)	\$ -

WATER FOR PEOPLE

CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Guatemala		Honduras		India	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
REVENUE						
Grants and contributions	\$ 573,554	\$ 331,958	\$ 657,635	\$ 283,352	\$ 583,418	\$ 786,889
Gifts in-kind	12,124	-	-	-	-	-
Royalty income	-	-	-	-	-	-
Investment income, net	670	-	12	-	-	-
Special events, net	-	-	-	-	-	-
Other revenue	1,299	-	5,509	-	642	-
Net assets released from donor restrictions	396,620	(396,620)	283,352	(283,352)	786,889	(786,889)
Total revenue	984,267	(64,662)	946,508	-	1,370,949	-
EXPENSES						
Program Services	927,018	-	928,061	-	1,376,901	-
Supporting Services:						
Management and General	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-
Total supporting services	-	-	-	-	-	-
Total expenses	927,018	-	928,061	-	1,376,901	-
Change in net assets before other items	57,249	(64,662)	18,447	-	(5,952)	-
OTHER ITEMS						
Forgiveness of debt	-	-	-	-	-	-
De-obligated awards and funds returned to donors	-	-	-	-	-	-
Change in net assets	57,249	(64,662)	18,447	-	(5,952)	-
Net assets at beginning of year	(184,882)	64,662	(115,512)	-	13,083	-
NET ASSETS AT END OF YEAR	\$ (127,633)	\$ -	\$ (97,065)	\$ -	\$ 7,131	\$ -

WATER FOR PEOPLE

CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Rwanda		Peru		Uganda	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
REVENUE						
Grants and contributions	\$ 1,118,477	\$ 2,459,444	\$ 631,896	\$ 59,039	\$ 781,070	\$ 2,144,671
Gifts in-kind	-	-	-	-	-	-
Royalty income	-	-	-	-	-	-
Investment income, net	1,443	-	-	-	-	-
Special events, net	-	-	-	-	-	-
Other revenue	30,546	-	9,218	-	30,406	-
Net assets released from donor restrictions	2,494,060	(2,494,060)	59,039	(59,039)	2,384,281	(2,384,281)
Total revenue	3,644,526	(34,616)	700,153	-	3,195,757	(239,610)
EXPENSES						
Program Services	3,462,642	-	727,578	-	2,859,500	-
Supporting Services:						
Management and General	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-
Total supporting services	-	-	-	-	-	-
Total expenses	3,462,642	-	727,578	-	2,859,500	-
Change in net assets before other items	181,884	(34,616)	(27,425)	-	336,257	(239,610)
OTHER ITEMS						
Forgiveness of debt	-	-	-	-	-	-
De-obligated awards and funds returned to donors	-	-	-	-	-	-
Change in net assets	181,884	(34,616)	(27,425)	-	336,257	(239,610)
Net assets at beginning of year	(230,785)	34,616	(76,333)	-	19,309	412,439
NET ASSETS AT END OF YEAR	\$ (48,901)	\$ -	\$ (103,758)	\$ -	\$ 355,566	\$ 172,829

WATER FOR PEOPLE

CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Nicaragua		Eliminations		Consolidated Total	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
REVENUE						
Grants and contributions	\$ 469,145	\$ 1,777	\$ (2,275,460)	\$ (11,388,843)	\$ 8,300,205	\$ 11,746,655
Gifts in-kind	-	-	-	-	215,504	-
Royalty income	-	-	-	-	4,542	-
Investment income, net	25	-	-	-	1,228	-
Special events, net	-	-	-	-	32,450	-
Other revenue	1,031	-	-	-	77,867	-
Net assets released from donor restrictions	1,777	(1,777)	(11,388,843)	11,388,843	13,322,062	(13,322,062)
Total revenue	471,978	-	(13,664,303)	-	21,953,858	(1,575,407)
EXPENSES						
Program Services	493,044	-	(13,664,303)	-	18,127,341	-
Supporting Services:						
Management and General	-	-	-	-	2,584,627	-
Fundraising	-	-	-	-	1,368,964	-
Total supporting services	-	-	-	-	3,953,591	-
Total expenses	493,044	-	(13,664,303)	-	22,080,932	-
Change in net assets before other items	(21,066)	-	-	-	(127,074)	(1,575,407)
OTHER ITEMS						
Forgiveness of debt	-	-	-	-	783,458	-
De-obligated awards and funds returned to donors	-	-	-	-	-	(18,410)
Change in net assets	(21,066)	-	-	-	656,384	(1,593,817)
Net assets at beginning of year	(26,927)	-	-	-	7,631,142	5,426,051
NET ASSETS AT END OF YEAR	\$ (47,993)	\$ -	\$ -	\$ -	\$ 8,287,526	\$ 3,832,234