Audited Financial Statements

Water to Thrive

For the Years Ended December 31, 2025 and 2024
With Independent Auditor's Report

Water to Thrive

Audited Financial Statements

For the Years Ended December 31, 2025 and 2024

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Reynolds & Franke, PC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors of
Water to Thrive
Austin, Texas

Opinion

We have audited the accompanying financial statements of Water to Thrive (the "Organization") (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Water to Thrive as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Austin, Texas
August 12, 2026

Audited Financial Statements

Water to Thrive

Statements of Financial Position

December 31, 2025 and 2024

	2025	2024
Assets		
Current Assets:		
Cash and cash equivalents	**$ 145,495**	$ 333,721
Trust receivable with donor restrictions - current	**58,831**	38,831
Contributions receivable	**-**	90
Other receivables	**2,450**	1,084
Contributions receivable with donor restrictions	**115,671**	23,620
Accrued interest receivable	**-**	180
Inventory	**5,006**	5,202
Prepaid expenses and other current assets	**57,051**	23,981
Total current assets	**384,504**	426,709
Cash and cash equivalents with donor restrictions	**490,037**	329,332
Investments with donor restrictions	**-**	125,175
Endowment Fund	**1,251,845**	1,109,413
Trust receivable with donor restrictions - noncurrent	**36,613**	72,173
Property and equipment, net (see Note 7)	**-**	-
Operating right-of-use assets	**10,396**	34,744
Other noncurrent assets	**15,170**	27,957
Total assets	**$ 2,188,565**	$ 2,125,503
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	**$ 14,666**	$ 14,055
Accrued liabilities	**11,076**	68,712
Operating lease liability - current	**10,396**	24,348
Note payable - current	**3,969**	3,574
Total current liabilities	**40,107**	110,689
Operating lease liability - noncurrent	**-**	10,396
Note payable - noncurrent	**133,379**	137,948
Total liabilities	**173,486**	259,033
Net Assets		
Without donor restrictions	**346,151**	313,783
With donor restrictions	**1,668,928**	1,552,687
Total net assets	**2,015,079**	1,866,470
Total liabilities and net assets	**$ 2,188,565**	$ 2,125,503

The accompanying notes are an integral part of these financial statements.

Water to Thrive

Statement of Activities

For the Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Contributions	$ 322,782	$ 1,003,871	$ 1,326,653
Investment earnings	143,154	-	143,154
Change in value of split-interest agreement	-	4,440	4,440
Other	1,750	-	1,750
Total revenues and other support	467,686	1,008,311	1,475,997
Merchandise sales:			
Gross sales	577	-	577
Cost of goods sold	(367)	-	(367)
Merchandise sales, net	210	-	210
Net assets released from donor restrictions	892,070	(892,070)	-
Total revenues, support, and reclassifications	1,359,966	116,241	1,476,207
Expenses:			
Program services	1,024,266	-	1,024,266
Fundraising	177,931	-	177,931
Management and general	125,401	-	125,401
Total expenses	1,327,598	-	1,327,598
Total change in net assets	32,368	116,241	148,609
Net assets, beginning of the year	313,783	1,552,687	1,866,470
Net assets, end of the year	$ 346,151	$ 1,668,928	$ 2,015,079

The accompanying notes are an integral part of these financial statements.

Water to Thrive

Statement of Activities

For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Contributions	$ 384,181	$ 1,250,356	$ 1,634,537
Investment earnings	129,582	-	129,582
Other	12,159	-	12,159
Change in value of split-interest agreement	-	5,808	5,808
Total revenues and other support	525,922	1,256,164	1,782,086
Special events:			
Special events revenues	21,085	-	21,085
Special events expenses	(1,320)	-	(1,320)
Special events, net	19,765	-	19,765
Merchandise sales:			
Gross sales	958	-	958
Cost of goods sold	(828)	-	(828)
Merchandise sales, net	130	-	130
Net assets released from donor restrictions	1,037,648	(1,037,648)	-
Total revenues, support, and reclassifications	1,583,465	218,516	1,801,981
Expenses:			
Program services	1,176,464	-	1,176,464
Fundraising	200,391	-	200,391
Management and general	133,925	-	133,925
Total expenses	1,510,780	-	1,510,780
Total change in net assets	72,685	218,516	291,201
Net assets, beginning of the year	241,098	1,334,171	1,575,269
Net assets, end of the year	$ 313,783	$ 1,552,687	$ 1,866,470

The accompanying notes are an integral part of these financial statements.

Water to Thrive

Statement of Functional Expenses

For the Year Ended December 31, 2025

		Supporting Services			
	Program Services	Fundraising	Cost of Goods Sold	Management & General	Total
Salaries	$ 162,083	$ 111,644	$ -	$ 65,372	$ 339,099
Payroll taxes	13,466	9,275	-	5,431	28,172
Employee benefits	4,469	3,078	-	1,803	9,350
Water projects	781,559	10,651	-	-	792,210
Office	27,965	14,454	-	7,977	50,396
Professional fees	12,250	3,500	-	20,072	35,822
Operating lease expense	11,638	8,016	-	4,694	24,348
Interest expense	84	58	-	10,287	10,429
Promotional	3,686	3,687	367	-	7,740
Printing	3,019	3,018	-	-	6,037
Travel and entertainment	-	5,938	-	-	5,938
Other	-	-	-	4,635	4,635
Bank service charges	-	-	-	2,607	2,607
Website	1,508	1,005	-	-	2,513
Marketing	1,180	1,181	-	-	2,361
Utilities	858	591	-	346	1,795
Insurance	-	-	-	1,730	1,730
Postage and shipping	321	883	-	402	1,606
Conferences and conventions	-	727	-	-	727
Dues and subscriptions	180	225	-	45	450
Total expenses	1,024,266	177,931	367	125,401	1,327,965
Less expenses included with revenues on the statements of activities	-	-	(367)	-	(367)
Total expenses included in the expenses section of the statements of activities	$ 1,024,266	$ 177,931	$ -	$ 125,401	$ 1,327,598
Percentage of total expenses	77%	13%	0%	10%	100%

The accompanying notes are an integral part of these financial statements.

Water to Thrive

Statement of Functional Expenses

For the Year Ended December 31, 2024

		Supporting Services			
	Program Services	Fundraising	Direct Benefits to Donors	Cost of Goods Sold	Management & General	Total
Salaries	$ 150,950	$ 114,842	$ -	$ -	$ 62,263	$ 328,055
Payroll taxes	11,956	9,013	-	-	4,946	25,915
Employee benefits	7,940	4,794	-	-	2,248	14,982
Water projects	969,285	10,863	-	-	-	980,148
Office	14,513	4,560	-	-	32,551	51,624
Professional fees	-	18,077	-	-	10,000	28,077
Operating lease expense	11,282	8,420	-	-	3,370	23,072
Bank service charges	-	-	-	-	11,310	11,310
Conferences and conventions	-	10,582	-	-	-	10,582
Promotional	5,604	2,402	1,320	828	-	10,154
Travel and entertainment	1,053	6,719	-	-	-	7,772
Printing	-	5,915	-	-	-	5,915
Interest expense	-	-	-	-	4,327	4,327
Postage and shipping	515	1,417	-	-	644	2,576
Website	1,459	972	-	-	-	2,431
Utilities	854	641	-	-	285	1,780
Insurance	-	-	-	-	1,634	1,634
Dues and subscriptions	491	613	-	-	123	1,227
Marketing	562	561	-	-	-	1,123
Other	-	-	-	-	224	224
Total expenses	1,176,464	200,391	1,320	828	133,925	1,512,928
Less expenses included with revenues on the statements of activities	-	-	(1,320)	(828)	-	(2,148)
Total expenses included in the expenses section of the statements of activities	$ 1,176,464	$ 200,391	$ -	$ -	$ 133,925	$ 1,510,780
Percentage of total expenses	78%	13%	0%	0%	9%	100%

The accompanying notes are an integral part of these financial statements.

Water to Thrive

Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Change in net assets	**$ 148,609**	$ 291,201
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Amortization of discount on trust receivable	**(4,440)**	(5,808)
Amortization of operating right-of-use assets	**24,348**	23,072
Unrealized gains	**(148,981)**	(125,044)
(Increase) decrease in operating assets:		
Trust receivable with donor restrictions	**20,000**	40,000
Contributions receivable	**90**	(90)
Other receivables	**(1,366)**	2,572
Contributions receivable with donor restrictions	**(92,051)**	68,808
Accred interest receivable	**180**	7,437
Inventory	**196**	420
Prepaid expenses and other current assets	**(33,070)**	5,108
Other noncurrent assets	**12,787**	25,575
Increase (decrease) in operating liabilities:		
Accounts payable	**611**	3,535
Accrued liabilities	**(57,636)**	(39,326)
Deferred revenue	**-**	(4,340)
Operating lease liability	**(24,348)**	(23,072)
Net cash provided by (used in) operating activities	**(155,071)**	270,048
Cash flows from investing activities		
Purchases of investments	**(155,450)**	(130,000)
Sales of investments	**280,625**	378,768
Endowment Fund purchases	**(50,220)**	(299,228)
Endowment Fund sales	**56,769**	27,212
Net cash provided by (used in) investing activities	**131,724**	(23,248)
Cash flows from financing activities		
Principal payments on note payable	**(4,174)**	(3,733)
Net cash used in financing activities	**(4,174)**	(3,733)
Net change in cash and cash equivalents	**(27,521)**	243,067
Cash and cash equivalents, beginning of the year	**663,053**	419,986
Cash and cash equivalents, end of the year	**$ 635,532**	$ 663,053
Cash and cash equivalents consisted of the following:		
Cash and cash equivalents	**$ 145,495**	$ 333,721
Cash and cash equivalents with donor restrictions	**490,037**	329,332
Total cash and cash equivalents	**$ 635,532**	$ 663,053
Supplemental disclosure of cash flow information:		
Cash paid for interest	**$ 10,429**	$ 3,959

The accompanying notes are an integral part of these financial statements.

Water to Thrive

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

Note 1 – Summary of Significant Accounting Policies

Nature of Activities

Water to Thrive (the "Organization"), was established in 2008. The Organization is a nonprofit organization whose mission is to provide freshwater wells to impoverished areas in developing countries through non-governmental organizations and partners. The Organization is dedicated to spreading awareness of the global water crisis while raising funds needed to construct water wells for those who need them in rural Africa. The Organization's revenues are primarily generated from individual contributions and special events.

The mission is accomplished by:

- In the US, the Organization works with individuals, churches, corporate offices, and schools to raise funds.
- The Organization then partners with African non-governmental organizations to implement water work.

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis, revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recorded in the accounting period incurred.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Financial statements presentation follows the recommendations of the *Not-for-Profit Entities* Topic of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC 958). Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions – These types of net assets are not subject to donor-imposed stipulations. This also includes net assets with Board designations for specific purposes, since these Board designations may be reversed by the Board of Directors at any time in the future.

Net assets with donor restrictions – These types of net assets are subject to donor-imposed stipulations, which limit their use by the Organization, either permanently or temporarily, to a specific purpose and/or the passage of time. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from donor restrictions.

Note 1 – Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from these estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Other Receivables

Other receivables are stated at the amount the Organization expects to collect from outstanding balances. The Organization has not set up an allowance for uncollectible other receivables as of December 31, 2025 and 2024, because management believes the receivables are collectible, and write-offs are historically unusual and small.

Contributions Receivable

Contributions receivable are recognized as revenues when the donor’s commitment is received. The Organization has not set up an allowance for uncollectible contributions receivable as of December 31, 2025 and 2024, because management estimated that the contributions receivable are collectible, and write-offs are historically unusual and small.

Charitable Lead Trust Receivable

The Organization's beneficial interest in a charitable lead unitrust was recorded as net assets with donor restrictions when the Organization was notified of the trust's existence. The assets for the contribution receivable from the trust consist of investments that are held and managed by a trustee. The Organization has no control over those assets. The contribution receivable is reported at fair value, which is estimated using an income approach based on assumptions developed by the Organization about the future distributions it will receive from the trust. Changes in the fair value of the contribution receivable are reflected in the net assets with donor restrictions. Distributions from the trust are reflected as reductions in the contribution receivable and reclassifications from net assets with donor restrictions to net assets without donor restrictions.

Inventory

Inventories consist of coffee, clothing and jewelry and are valued at the lower of cost or market on a first-in, first-out basis.

Note 1 – Summary of Significant Accounting Policies (continued)

Investments

Investments are stated at fair value. Realized and unrealized gains and losses are reported in the statements of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law.

Property and Equipment

Property and equipment are stated at cost, if purchased, and at fair market value at date of gift, if received by donation. The Organization capitalizes assets with cost/fair value of $1,000 or more and a useful life of more than one year. Provision has been made for depreciation of property and equipment using the straight-line method over an estimated useful life of three years. Upon the sale or retirement of depreciable assets, the related cost and accumulated depreciation are removed from the account. Any gain or loss on the sale or retirement is recognized in current operations.

Federal Income Taxes

Water to Thrive is a nonprofit organization exempt from Federal income taxes on their operating income under Section 501(c)(3) of the Internal Revenue Code, except to the extent of unrelated business income, if any.

The most significant tax positions of the Organization are its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business income tax (UBIT). Management has determined that the Organization had activities subject to UBIT in the years ended December 31, 2025 and 2024. For the years ended December 31, 2025 and 2024, the Organization had deductible expenses in excess of unrelated business income and thus incurred no UBIT. All significant tax positions have been considered by management and it has determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities.

The Organization is required to file Form 990 (Return of Organization Exempt from Income Tax) annually and the Form 990-T (Exempt Organization Business Income Tax Return) in years in which the Organization is subject to UBIT. All tax returns are subject to examination by the Internal Revenue Service (IRS), generally up to three years from the later of the original due date or the date the tax return was filed. The Forms 990 for the years ended December 31, 2024, 2023, and 2022 and Forms 990-T for the years ended December 31, 2023 and 2022 are open to examination by the IRS as of December 31, 2025.

Note 1 – Summary of Significant Accounting Policies (continued)

Contributions

Contributions received are recorded as increases in activities with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor restrictions.

All contributions are considered to be available for use without donor restrictions unless specifically restricted by the donor. Donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the donor restriction. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from donor restrictions.

Leases

Management reviews contracts to identify leases and properly classify leases as either operating or finance. Operating right-of-use (ROU) liabilities are recognized based on the net present value of lease payments over the lease term at the commencement date of the lease, and are reduced by payments made on each lease on the straight-line basis. Since most of the leases do not provide an implicit rate of return, the Organization uses its incremental borrowing rate based on information available at the commencement date of the lease in determining the present value of lease payments. Therefore, the Organization generally uses its incremental borrowing rate as the discount rate for the lease. The Organization's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments using similar terms.

If a lease contains a renewal option at the commencement date and management considers it reasonably certain that the option will be exercised to renew the lease, the renewal option payments are included in the determination of the ROU assets and lease liabilities. Leases with an initial term of 12 months or less are not recorded on the statements of financial position; rather, rent expense for these short-term leases is recognized on a straight-line basis over the lease term, or when incurred if a month-to-month lease.

All lease agreements generally require the Organization to pay maintenance, repairs, property taxes, and insurance costs, which are variable amounts based on actual costs incurred during each applicable period. Such costs are not included in the determination of the ROU lease liability or ROU lease asset.

Variable lease payments associated with the Organization's leases are recognized when the event, activity, or circumstance in the lease agreement on which those payments are assessed occurs. Variable lease payments are presented in expenses in the statements of activities.

Note 1 – Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The expense information contained in the statements of activities is presented on a functional basis. Accordingly, certain expenses are allocated among the programs and supporting services benefited. Expenses which cannot be specifically identified have been allocated based on management's best estimate of usage. Salaries, payroll taxes, and employee benefits are allocated based on estimated time spent by the employees for each function. Operating lease expense is allocated based on the estimated space usage.

Date of Management's Review

These financial statements considered subsequent events through August 12, 2026, the date the financial statements were available to be issued.

Note 2 – Concentration of Risk

Financial instruments which potentially subject the Organization to credit risk principally consist of cash and cash equivalents and investments. To minimize the risk, the Organization places its cash and cash equivalents and investments with high credit quality financial institutions and investment firms insured by the Federal Deposit Insurance Corporation (FDIC) or the Security Investment Protection Corporation (SIPC). Effective January 1, 2013, deposit insurance coverage by the FDIC was changed to $250,000 per bank per entity for all interest bearing and non-interest bearing accounts. As of December 31, 2025 and 2024, the Organization had uninsured cash balances of $1,509,447 and $1,513,034, respectively. Securities are protected by the SIPC which currently protects brokerage accounts up to $500,000 in securities, including up to $250,000 for cash. Additional coverage is frequently offered for brokerage accounts for amounts in excess of the $500,000 SIPC limit. The Organization's investments at times may exceed the insured coverages, however the Organization limits the amount of credit exposure through diversification and restricting its investments to highly rated securities. The Organization has not experienced any losses in such accounts in the past.

Note 3 – Charitable Lead Trust

During 2012, a donor established a trust with a bank naming the Organization as the lead beneficiary of a charitable lead unitrust. Under terms of the split-interest agreement, the Organization is to receive an annual distribution equal to $40,000 for 15 years beginning in 2013. On an annual basis, the Organization remeasures the estimated fair value of the contribution receivable based on an applicable discount rate of 4%. The Organization received $20,000 and $40,000 from the trust during the years ended December 31, 2025 and 2024, respectively, which was recorded as a reduction in the receivable and a corresponding reclassification from net assets with donor restrictions to net assets without donor restrictions.

Note 3 – Charitable Lead Trust (continued)

Future payments from the charitable lead trust at December 31, 2025 are as follows:

2026	$ 60,000
2027	40,000
	100,000
Discount to present value	(4,556)
Total	$ 95,444

Note 4 – Contributions Receivable

The summary of contributions receivable (including contributions receivable with donor restrictions) as of December 31, 2025 and 2024 is as follows:

	2025	2024
Due in less than one year	**$ 115,671**	$ 23,710
Total	**$ 115,671**	$ 23,710

Note 5 – Investments

At December 31, 2025 and 2024, investments consisted of the following:

	2025	2024
Certificates of deposit	**$ -**	$ 125,175
Total	**$ -**	$ 125,175

Note 6 – Water to Thrive Endowment Fund

The Organization established a permanent endowment fund (the "Fund") in February 2021 with Thrivent Charitable Impact & Investing. The purpose of the Fund is to encourage its members and supporters to make legacy gifts to the Fund and to create a stable and growing source of revenue to support the Organization's mission. The Fund is a permanent investment fund for the Organization's long-term security. Donor contributions make up the principal and are invested in a diversified portfolio. The investment earnings are held without donor restrictions and are distributed upon advisement by the Endowment Committee and approved by the Organization's Board of Directors.

Note 6 – Water to Thrive Endowment Fund (continued)

The activity and the balance of the Fund during the years ended December 31, 2025 and 2024 are summarized as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Fund at December 31, 2023	$ 29,289	$ 681,828	$ 711,117
Contributions	-	299,228	299,228
Grants	-	(17,500)	(17,500)
Gains	126,280	-	126,280
Fees and expenses	(9,712)	-	(9,712)
Fund at December 31, 2024	$ 145,857	$ 963,556	$ 1,109,413
Contributions	**-**	**50,220**	**50,220**
Grants	**-**	**(46,000)**	**(46,000)**
Gains	**148,981**	**-**	**148,981**
Fees and expenses	**(10,769)**	**-**	**(10,769)**
Fund at December 31, 2025	**$ 284,069**	**$ 967,776**	**$ 1,251,845**

Note 7 – Property and Equipment

At December 31, 2025 and 2024, property and equipment consisted of the following:

	2025	2024
Computer equipment	**$ 7,330**	$ 7,330
Website	**8,000**	8,000
Less: accumulated depreciation	**(15,330)**	(15,330)
Property and equipment, net	**$ -**	$ -

For the years ended December 31, 2025 and 2024, the Organization had no depreciation expense.

Note 8 – Contract Liabilities

At December 31, 2025, 2024, and 2023, the Organization's contract liabilities consisted of the following:

	2025	2024	2023
Deferred Revenue:			
Mission travel income	**$ -**	$ -	$ 4,300
Other	**-**	-	40
Total	**$ -**	$ -	$ 4,340

Note 9 – Note Payable

On June 17, 2020, the Organization received a $150,000 Economic Injury Disaster Loan ("EIDL loan") from the Small Business Administration (SBA). The proceeds from the EIDL loan are for working capital purposes. The EIDL loan has a term of 30 years and accrues interest at the rate of 2.75% per annum. Monthly payments of principal and interest of $641 was set to begin in June 2021. The SBA issued an automatic payment deferral of 30 months after the date of the note. However, the Organization began making payments of $641 in August 2021 towards accrued interest. As of December 31, 2025 and 2024, the EIDL loan balance was $137,348 and $141,522, respectively.

Future maturities of the note payable at December 31, 2025 are as follows:

2026	$ 3,969
2027	4,066
2028	4,179
2029	4,295
2030	4,415
Thereafter	116,424
Total	$ 137,348

Note 10 – Lease Commitments

The Organization has entered into an operating lease agreement for office space which expires in May 2026 (renewed for one-year term of June 2026 through May 2027 after year-end).

The following summarizes the line items in the statements of financial position for the operating leases as of December 31, 2025 and 2024:

	2025	2024
Operating leases:		
Operating right-of-use assets	**$ 10,396**	$ 34,744
Operating lease liability – current	**$ 10,396**	$ 24,348
Operating lease liability – noncurrent	**-**	10,396
Total operating lease liabilities	**$ 10,396**	$ 34,744

The following summarizes the weighted-average remaining operating lease term and discount rate as of December 31, 2025 and 2024:

	2025	2024
Weighted-average remaining lease term:		
Operating leases	**0.42 years**	1.42 years
Weighted-average discount rate:		
Operating leases	**0.81%**	0.81%

Note 10 – Lease Commitments (continued)

Future minimum lease payments to be paid on these operating leases are due as follows:

Year Ending December 31,	**Undiscounted Cash Flows**	**Interest**	**Discounted Cash Flows**
2026	$ 10,410	$ (14)	$ 10,396
Total	$ 10,410	$ (14)	$ 10,396

The following summarizes the line items in the statements of functional expenses which include the components of operating lease costs for the years ended December 31, 2025 and 2024:

	2025	**2024**
Operating lease expense	**$ 24,348**	$ 23,072
Interest expense includes interest on operating lease liability	**176**	368
Total operating lease costs	**$ 24,524**	$ 23,440

The following summarizes cash flow information related to operating leases for the years ended December 31, 2025 and 2024:

	2025	**2024**
Cash paid for amounts included in the measurement of operating lease liabilities:		
Operating cash flows from operating leases	**$ 24,524**	$ 23,440

Note 11 – Fair Value Disclosures

The Organization follows the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures,* whose provisions relate to the Organization's financial assets and liabilities be carried at fair value and the Organization's fair value disclosures related to financial assets and liabilities. FASB ASC 820 defines fair value, expands related disclosure requirements, and specifies a hierarchy of valuation techniques based on the nature of the inputs used to develop the measures of fair value.

Guidance provided by the FASB defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring fair value, a 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). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described on the following page:

Note 11 – Fair Value Disclosures (continued)

Level 1: Unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access at the measurement date. The type of investments included in Level 1 includes listed equities and listed derivatives.

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs that are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation methods used may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used at December 31, 2025.

The following tables set forth by level, within the fair value hierarchy, the Organization's trust receivable, investments, and Endowment Fund at fair value as of December 31, 2025 and 2024:

		Fair Value Measurements Using:		
Description	**2025 Fair Value**	**Quoted Prices in Active Markets for Identical (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Charitable lead trust receivable	**$ 95,444**	**$ -**	**$ -**	**$ 95,444**
Endowment Fund	**1,251,845**	**-**	**1,251,845**	**-**
Total	**$ 1,347,289**	**$ -**	**$ 1,251,845**	**$ 95,444**

		Fair Value Measurements Using:		
Description	**2024 Fair Value**	**Quoted Prices in Active Markets for Identical (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Charitable lead trust receivable	$ 111,004	$ -	$ -	$ 111,004
Endowment Fund	1,109,413	-	1,109,413	-
Certificates of deposit	125,175	125,175	-	-
Total	$ 1,345,592	$ 125,175	$ 1,109,413	$ 111,004

Note 11 – Fair Value Disclosures (continued)

The Organization's other financial instruments consist principally of cash and cash equivalents, cash and cash equivalents with donor restrictions, contributions receivable, other receivables, contributions receivable with donor restrictions, accounts payable, accrued liabilities, operating lease liability, and notes payable. The Organization believes all of the other financial instruments' recorded values approximate current market values, primarily because of the relatively short-term maturity of those instruments. The carrying amounts of the note payable and operating lease liability approximate fair value because the interest rate approximates the current market interest rate.

Note 12 – Net Assets With Donor Restrictions

The Organization had the following net assets with donor restrictions activity for the year ended December 31, 2025:

	Beginning Balance	Additions	Released from Donor Restrictions	Ending Balance
Donor Restricted for a Specified Purpose:				
Water projects	**$ 382,282**	**$ 953,651**	**$ (792,210)**	**$ 543,723**
Health clinics	**28,125**	**-**	**-**	**28,125**
Time Restricted:				
Annuity trust	**111,004**	**4,440**	**(20,000)**	**95,444**
Future periods	**67,720**	**-**	**(33,860)**	**33,860**
Permanently Restricted:				
Water to Thrive Endowment Fund	**963,556**	**50,220**	**(46,000)**	**967,776**
Total	**$ 1,552,687**	**$ 1,008,311**	**$ (892,070)**	**$ 1,668,928**

The Organization had the following net assets with donor restrictions activity for the year ended December 31, 2024:

	Beginning Balance	Additions	Released from Donor Restrictions	Ending Balance
Donor Restricted for a Specified Purpose:				
Water projects	$ 473,335	$ 883,408	$ (974,461)	$ 382,282
Health clinics	33,812	-	(5,687)	28,125
Time Restricted:				
Annuity trust	145,196	5,808	(40,000)	111,004
Future periods	-	67,720	-	67,720
Permanently Restricted:				
Water to Thrive Endowment Fund	681,828	299,228	(17,500)	963,556
Total	$ 1,334,171	$ 1,256,164	$ (1,037,648)	$ 1,552,687

Note 13 – Related Party Transactions

During the years ended December 31, 2025 and 2024, the Organization received income of $0 and $4,200, respectively, from a company owned by a member of the Board of Directors for professional services.

During the years ended December 31, 2025 and 2024, members of the Board of Directors made contributions totaling $186,867 and $91,901, respectively.

Note 14 – Liquidity and Availability of Financial Assets

The Organization's working capital and cash flows have seasonal variations during the year attributable to timing of receipts of contributions and from special events. Monthly cash outflows vary each year based on the specific requirements of the Organization's programming during the year.

The following reflects the Organization's financial assets as of the statements of financial position date, reduced by amounts not available for general use within one year of the statements of financial position date because of contractual or donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for expenditure in the following year. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the Organization's Board of Directors approves that action.

	2025	2024
Financial assets available:		
Cash and cash equivalents	**$ 145,495**	$ 333,721
Contributions receivable collectible in less than one year	**-**	90
Other receivables collectible in less than one year	**2,450**	1,084
Contributions receivable with donor restrictions collectible in less than one year	**115,671**	23,620
Trust receivable with donor restrictions collectible in less than one year	**58,831**	38,831
Cash and cash equivalents with donor restrictions	**490,037**	329,332
Investments with donor restrictions	**-**	125,175
Total financial assets, excluding noncurrent receivables	**812,484**	851,853
Contractual or donor-imposed restrictions:		
With donor restrictions	**(664,539)**	(516,958)
Financial assets available to meet cash needs for expenditures within one year	**$ 147,945**	$ 334,895