

Water Missions International †

WATER MISSIONS INTERNATIONAL
And Affiliates

Consolidated Financial Statements
With Independent Auditors' Report

September 30, 2014

WATER MISSIONS INTERNATIONAL and Affiliates

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Water Missions International and Affiliates
Charleston, South Carolina

We have audited the accompanying consolidated financial statements of Water Missions International and Affiliates, which comprise the consolidated statement of financial position as of September 30, 2014, and the related consolidated statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated 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.

Auditors' Responsibility

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

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

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

Board of Trustees
Water Missions International and Affiliates
Charleston, South Carolina

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Water Missions International and Affiliates as of September 30, 2014, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As disclosed in Footnote 2 to the consolidated financial statements, management has elected to consolidate the foreign affiliates of Water Missions International. Our opinion is not modified with respect to this matter.

Capin Crouse LLP

Columbia, South Carolina
April 22, 2015

**WATER MISSIONS INTERNATIONAL
and Affiliates**

Consolidated Statement of Financial Position

September 30, 2014

ASSETS:

Cash and cash equivalents	\$ 4,968,584
Contributions receivable–net	407,640
Prepaid expenses and other assets	479,613
Inventory–net	3,200,424
Property and equipment–net	<u>1,290,192</u>

Total Assets \$ 10,346,453

LIABILITIES AND NET ASSETS:

Accounts payable	\$ 132,232
Accrued expenses	<u>197,271</u>
	<u>329,503</u>

Net assets:

Unrestricted	6,512,115
Temporarily restricted	<u>3,504,835</u>

Total net assets 10,016,950

Total Liabilities and Net Assets \$ 10,346,453

See notes to financial statements

WATER MISSIONS INTERNATIONAL and Affiliates

Consolidated Statement of Activities

Year Ended September 30, 2014

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE:			
Contributions	\$ 3,025,214	\$ 5,004,795	\$ 8,030,009
Gifts-in-kind	1,390,171	-	1,390,171
Sales revenue	135,671	-	135,671
Special events revenues	374,815	-	374,815
Special events direct cost	(128,247)	-	(128,247)
Interest income	14,699	-	14,699
Other income	187,663	-	187,663
Total Support and Revenue	<u>4,999,986</u>	<u>5,004,795</u>	<u>10,004,781</u>
RECLASSIFICATIONS:			
Net assets released from restriction	<u>4,711,067</u>	<u>(4,711,067)</u>	<u>-</u>
EXPENSES:			
Program services:			
Community development	6,822,558	-	6,822,558
Disaster response	1,069,271	-	1,069,271
Research and development	438,517	-	438,517
Advocacy	17,513	-	17,513
	<u>8,347,859</u>	<u>-</u>	<u>8,347,859</u>
Supporting activities:			
Management and general	524,554	-	524,554
Fund-raising	994,251	-	994,251
	<u>1,518,805</u>	<u>-</u>	<u>1,518,805</u>
Total Expenses	<u>9,866,664</u>	<u>-</u>	<u>9,866,664</u>
Change in Net Assets before Translation Adjustment	(155,611)	293,728	138,117
Translation Adjustment	<u>(123,990)</u>	<u>-</u>	<u>(123,990)</u>
Change in Net Assets	(279,601)	293,728	14,127
Beginning Net Assets	4,527,878	3,211,107	7,738,985
Change in Reporting Entity	2,263,838	-	2,263,838
As restated	<u>6,791,716</u>	<u>3,211,107</u>	<u>10,002,823</u>
Ending Net Assets	<u>\$ 6,512,115</u>	<u>\$ 3,504,835</u>	<u>\$ 10,016,950</u>

See notes to financial statements

**WATER MISSIONS INTERNATIONAL
and Affiliates**

Consolidated Statement of Functional Expenses

Year Ended September 30, 2014

	Program Services				Total Program Services	Supporting Activities			Total Expenses
	Community Development	Disaster Response	Research and Development	Advocacy		Management and General	Fund- raising	Total Supporting Activities	
Salaries and benefits	\$ 1,939,825	\$ 146,992	\$ 226,615	\$ 7,948	\$ 2,321,380	\$ 333,381	\$ 508,002	\$ 841,383	\$ 3,162,763
Professional services	822,718	54,994	65,171	-	942,883	47,049	122,293	169,342	1,112,225
Supplies	222,289	51,329	6,153	2,440	282,211	35,932	220,828	256,760	538,971
Occupancy	330,033	4,810	-	-	334,843	5,172	5,733	10,905	345,748
Vehicle	176,998	496	-	-	177,494	1,079	113	1,192	178,686
Depreciation	182,240	-	390	-	182,630	30,547	29,471	60,018	242,648
Travel	782,884	58,457	10,483	2,525	854,349	15,789	83,762	99,551	953,900
Product and transport	2,175,319	751,176	39,321	-	2,965,816	(468)	613	145	2,965,961
Cost of sales	8,881	-	85,278	-	94,159	-	-	-	94,159
Other expenses	181,371	1,017	5,106	4,600	192,094	56,073	23,436	79,509	271,603
	<u>\$ 6,822,558</u>	<u>\$ 1,069,271</u>	<u>\$ 438,517</u>	<u>\$ 17,513</u>	<u>\$ 8,347,859</u>	<u>\$ 524,554</u>	<u>\$ 994,251</u>	<u>\$ 1,518,805</u>	<u>\$ 9,866,664</u>

See notes to financial statements

WATER MISSIONS INTERNATIONAL and Affiliates

Consolidated Statement of Cash Flows

Year Ended September 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$	14,127
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation		242,648
Donated securities		(87,384)
Proceeds from sale of donated securities		87,384
Additions of donated inventory		(793,011)
Distribution of donated inventory		820,854
Loss on disposal of property and equipment		2,123
Changes in operating assets and liabilities:		
Contributions receivable		362,031
Prepaid expenses		261,510
Inventory		(259,479)
Accounts payable		(1,856)
Accrued expenses		59,960

Net Cash Provided by Operating Activities		708,907
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CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of property and equipment		(297,848)
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Net Cash Used by Investing Activities		(297,848)
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Net Change in Cash and Cash Equivalents		411,059
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Cash and Cash Equivalents, Beginning of Year		4,557,525
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Cash and Cash Equivalents, End of Year	\$	4,968,584
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SUPPLEMENTAL DISCLOSURES:

Noncash operating activities:		
Donated inventory	\$	793,011

Donated securities, property, and equipment	\$	87,384
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See notes to financial statements

WATER MISSIONS INTERNATIONAL and Affiliates

Notes to Consolidated Financial Statements

Year Ended September 30, 2014

1. NATURE OF ORGANIZATION:

Water Missions International is a nonprofit, Christian, engineering organization providing sustainable safe water and sanitation solutions for people in developing countries and disaster areas. Using state-of-the-art technology and engineering expertise, the organization has provided access to safe water for more than 2.5 million people in 50 countries on five continents since 2001. Water Missions International implements customized solutions through a comprehensive community development model in permanent country programs in Belize, Haiti, Honduras, Indonesia, Kenya, Malawi, Mexico, Peru, Tanzania, and Uganda.

All assets, liabilities, revenues, and expenses for these country programs are included in these financial statements.

The following five program areas demonstrate where Water Missions International excels.

Community Development: Water Missions takes a comprehensive approach to combating the global water crisis by providing safe water and sanitation solutions for entire communities in need. Water Missions is the micro-municipal provider for communities that do not have access to safe water and adequate sanitation. The organization's methodology is centered around community ownership and thus partners with the beneficiaries throughout the process of installing and implementing the solution. This model includes the establishment of a Safe Water Committee, financial management training, and promotion of healthy water, sanitation, and hygiene (WASH) behavior. After the solution has been implemented, Water Missions provides follow-up monitoring and support to ensure the project's success and sustainability. To date, the organization has implemented over 1600 safe water projects and installed over 17,000 Healthy Latrines™ (pour flush toilets.)

Disaster Response: The Living Water™ Treatment System (LWTS™) originally designed in 1998 by Water Missions' co-founder and CEO, Dr. George Greene III, PhD, PE, is a miniature water treatment plant that utilizes rapid sand filtration and chemical disinfection for the production of safe drinking water at a rate greater than 10 gallons per minute. It is designed for rapid deployment in the aftermath of a disaster and has minimal supply chain requirements. Using the LWTS™ and other appropriate technology, Water Missions has provided approximately 1 million people with access to safe water following a disaster or emergency situation.

Engineering Innovation: Water Missions designs and utilizes the latest technologies both in the implementation of projects and in tracking, reporting, and analyzing the impact of the interventions. The organization currently has 13 licensed, professional engineers working both at the international headquarters and abroad. These engineers are continually performing research and conducting product and process testing to refine how projects are implemented in the field. This research has resulted in four patents granted to Water Missions on various equipment used to produce safe drinking water.

WATER MISSIONS INTERNATIONAL and Affiliates

Notes to Consolidated Financial Statements

Year Ended September 30, 2014

1. NATURE OF ORGANIZATION, continued:

Health Impact Research: Water Missions takes an innovative approach to conducting research on the impact that the safe water and sanitation interventions have on disease within a community. A quantitative study in the state of Colón, Honduras revealed a 54% reduction of clinical visits for diarrheal diseases in the 34 months after a water system became fully operational. A follow-up study is currently underway to confirm reports by the Minister of Health that infant mortality rates in the region were also greatly reduced.

Advocacy: One of the primary goals of Water Missions is to educate the public about the global water crisis. This is accomplished by organizing events and creating educational programs that provide a call to action for sustainable solutions. One such event is the annual Walk for Water. In 2014, 25 walks were held around the world to raise awareness about the global water crisis.

Water Missions depends on cash contributions and gifts-in-kind primarily received from individuals, churches, foundations, and corporations. Water Missions is exempt from federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The consolidated financial statements have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

CHANGE IN REPORTING ENTITY

Management has elected to consolidate affiliates in Haiti, Honduras, Peru, Belize, Indonesia, Malawi, Kenya, Mexico, Uganda and Tanzania as controlled affiliates. Prior to September 30, 2013, only Honduras was a controlled affiliate of Water Missions International. The effect of this change is included as a change in beginning net assets on the consolidated statement of activities.

PRINCIPLES OF CONSOLIDATION

This report presents the consolidated financial position, changes in net assets and cash flows of Water Missions International and its controlled affiliates in Haiti, Honduras, Peru, Belize, Indonesia, Malawi, Kenya, Mexico, Uganda, and Tanzania. Significant transactions and balances between organizations have been eliminated for consolidated financial statement purposes.

ESTIMATES

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts and disclosures in the consolidated financial statements. Actual results could differ from those estimates.

WATER MISSIONS INTERNATIONAL and Affiliates

Notes to Consolidated Financial Statements

Year Ended September 30, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash held in checking and savings accounts, money market accounts, and certificates of deposit with original maturities of less than 90 days. These accounts are located in the United States and in foreign countries. Accounts in the United States may, at times, exceed federally insured limits. WMI has not experienced any losses in such accounts.

Cash balances of foreign subsidiaries are under the control of WMI, and management believes the assets are properly stated at the date of this report. Total cash and cash equivalents held in foreign accounts amounted to \$343,147 as of September 30, 2014.

CONTRIBUTIONS RECEIVABLE

Contributions receivable include unconditional promises to give. Unconditional promises to give that are expected to be collected within one year are reported at net realizable value. Those expected to be collected in more than one year are reported at the present value of their estimated future cash flows using a risk-free interest rate at the date of pledge to determine the discounts. The risk-free interest rates range from 0.25% to 1.09%. Amortization of discounts is included in contribution revenue. Management has not established an allowance for doubtful accounts as it feels all contributions receivable are fully collectible.

Contributions receivable also include amounts due from outside organizations who process credit card donations and marketable security donations on behalf of WMI.

INVENTORY

Inventory consists of purchased and donated parts used in water and sanitation projects. Inventory purchased by WMI is stated at weighted average cost. Inventory includes manufacturing overhead. Donated inventory is recorded at fair market value as gifts-in-kind support and inventory. Shipping and handling costs related to inventory on hand at year-end are included in the value of inventory on the consolidated statement of financial position. Transportation of finished goods inventory from the assembly facility to overseas warehouse locations are included in program services on the consolidated statement of activities and changes in net assets.

WATER MISSIONS INTERNATIONAL and Affiliates

Notes to Consolidated Financial Statements

Year Ended September 30, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost or, if donated, at fair market value on the date of donation. Property and equipment valued at \$1,000 or more are capitalized. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets as follows:

	<u>Years</u>
Leasehold improvements	4 - 15
Office and shop equipment	5 - 7
Computer equipment/software	3 - 5
Vehicles	5

COMPENSATED ABSENCES

Employees of WMI are entitled to paid time off (PTO). WMI's policy allows employees to carry over a portion of unused PTO beyond the end of a calendar year. Accrued PTO as of September 30, 2014, is included in accrued liabilities in the consolidated statement of financial position.

CLASSES OF NET ASSETS

The consolidated financial statements report amounts by class of net assets:

Unrestricted net assets are amounts currently available at the direction of the board for use in operations. Equity in property and equipment represents amounts invested in property and equipment.

Temporarily restricted net assets are contributions with donor stipulations for specific operating purposes, with time restrictions, or not currently available for use until commitments regarding their use have been fulfilled.

WATER MISSIONS INTERNATIONAL and Affiliates

Notes to Consolidated Financial Statements

Year Ended September 30, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT AND REVENUE

Support is recognized when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of assets is transferred. Revenue is recognized when earned.

Contributed services are recognized as support if the services received create or enhance a nonfinancial asset, or require specialized skills, which are provided by individuals possessing those skills, and those services would typically be purchased if not provided by donation. The amounts reflected in the accompanying consolidated financial statements as gifts-in-kind support are offset by like amounts included in inventory, property and equipment, or expenses.

Contributions of tangible assets are recognized at fair market value, when received.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, WMI reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

WMI hosts annual events to raise funds and awareness for the global water crisis and the solutions WMI provides. Revenue and expenses related to these events are reported in the consolidated statement of activities as special event revenue and expense.

EXPENSES

Expenses are recorded when incurred in accordance with the accrual basis of accounting. The costs of providing the various program services and supporting activities are summarized on a functional basis in the consolidated statement of activities. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are allocated to program and supporting services based on various factors determined by management. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Research and development costs are expensed as incurred.

WATER MISSIONS INTERNATIONAL and Affiliates

Notes to Consolidated Financial Statements

Year Ended September 30, 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

FOREIGN CURRENCY EXCHANGE RATE

WMI's reporting currency is the U.S. dollar. The affiliates of WMI use their local currency as the functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of activities. The consolidated financial statements of the WMI affiliates are translated into U.S. dollars using period-end rates of exchange for assets and liabilities and average rates of exchange in the period for revenues and expenses. Translation gains and losses are recorded as effects of translation adjustment on the consolidated statement of activities.

UNCERTAIN TAX POSITIONS

The financial statement effects of a tax position taken or expected to be taken are recognized in the consolidated financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the consolidated statement of activities. As of September 30, 2014, WMI had no uncertain tax positions that qualify for recognition or disclosure in the consolidated financial statements.

The Organization files information tax returns in the U.S. and various states. The Organization is generally no longer subject to U.S. federal and state income tax examinations by tax authorities for years before 2009.

3. CONTRIBUTIONS RECEIVABLE-NET:

Contributions receivable consist of:

Contributions receivable from third party organizations	\$ 13,355
Unconditional promises to give	405,000
Less unamortized discount	<u>(10,715)</u>
	<u>\$ 407,640</u>

Contributions receivable consist of amounts due in:

Less than one year	\$ 218,355
One to two years	<u>189,285</u>
	<u>\$ 407,640</u>

WATER MISSIONS INTERNATIONAL and Affiliates

Notes to Consolidated Financial Statements

Year Ended September 30, 2014

4. INVENTORY–NET:

Inventory consists of:

Raw material, work in progress, and finished goods–U.S.	\$ 1,380,154
Obsolescence reserve	(94,574)
	1,285,580
Finished goods–International	1,914,844
	\$ 3,200,424

5. PROPERTY AND EQUIPMENT–NET:

Property and equipment consist of:

Domestic:

Leasehold improvements	\$ 267,076
Furniture and equipment	406,209
Software	160,359
Vehicles	180,512
Manufacturing equipment	297,489
	1,311,645
Less accumulated depreciation	(785,466)
Net domestic	526,179

International:

Land	85,535
Buildings	189,258
Leasehold improvements	23,846
Furniture and equipment	313,936
Vehicles	382,268
	994,843
Less accumulated depreciation	(230,830)
Net international	764,013
	\$ 1,290,192

WATER MISSIONS INTERNATIONAL and Affiliates

Notes to Consolidated Financial Statements

Year Ended September 30, 2014

6. NET ASSETS:

Net assets consist of:

Unrestricted:

Undesignated	\$ 2,021,499
Net equity in inventory	3,200,424
Net equity in property and equipment	1,290,192
	<u>6,512,115</u>

Temporarily restricted:

Purpose restrictions	3,097,195
Time restrictions	407,640
	<u>3,504,835</u>

\$ 10,016,950

7. DONATED MATERIALS AND SERVICES:

Donated materials are reflected as contributions in the accompanying consolidated financial statements at their estimated values at the date of receipt. Donated services include services provided by volunteers to assemble water treatment systems, skilled services provided by professionals, and other specialized services that would typically have to be purchased if not provided by donation. Donated services were valued using equivalent compensation amounts for comparable services or published rates based on studies available for type and location of service. The value of donated materials and services received during the year ended September 30, 2014, was \$1,302,787.

8. SPECIAL EVENTS:

During the year ended September 30, 2014, WMI hosted special events including the Charleston Walk for Water. These special events are designed to inform supporters about the ministry and to promote the ministry to potential new donors. Support received from these events totaled \$374,815 less \$128,247 in costs for the benefits provided during the year ended September 30, 2014.

WATER MISSIONS INTERNATIONAL and Affiliates

Notes to Consolidated Financial Statements

Year Ended September 30, 2014

9. COMMITMENTS:

WMI leases office and warehouse space in Charleston, South Carolina. The terms of the operating lease, which began July 1, 2012, and expires December 31, 2017, include monthly rent payments of \$8,900. The future minimum lease payments are as follows:

<u>Years Ending September 30,</u>	<u>Amounts</u>
2015	\$ 107,500
2016	107,500
2017	107,500
2018	26,875
	<hr/>
	\$ 349,375
	<hr/> <hr/>

Rental expense under this lease for the year ended September 30, 2014, was \$107,500. Other rent expense is incurred from short-term or month-to-month agreements and discount amortization of promised future rents.

10. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through the report date, which represents the date the consolidated financial statements were available to be issued. Subsequent events after that date have not been evaluated.

11. RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS:

The Financial Accounting Standards Board (FASB) recently issued an accounting standards update to the *Statement of Cash Flows—Overall—Other Presentation Matters* topic of the Accounting Standards Codification (ASC). The amendments in this update require classification of cash receipts from the sale of donated financial assets (e.g., debtor equity instruments) by a not-for-profit that, upon receipt of the donated financial assets, are directed for sale without any limitations and are converted nearly immediately into cash as (1) operating cash flows, or (2) if the donor has restricted the use of the securities to a long-term purpose, as financing cash flows. The amendments require classification as investing cash flows of all other cash receipts resulting from the sale of debt and equity securities not meeting the foregoing conditions for classification within operating or financing cash flows. The amendments are effective for fiscal years beginning after June 30, 2013.

SUPPLEMENTARY INFORMATION

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTAL INFORMATION**

Board of Trustees
Water Missions International and Affiliates
Charleston, South Carolina

We have audited the consolidated financial statements of Water Missions International and Affiliates as of and for the year ended September 30, 2014, and our report thereon dated April 22, 2015, which expressed an unmodified opinion on those consolidated financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and activities are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual organizations, and they 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 consolidating 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.

Capin Crouse LLP

Columbia, South Carolina
April 22, 2015

**WATER MISSIONS INTERNATIONAL
and Affiliates**

Consolidating Statement of Financial Position

September 30, 2014

	Charleston	Haiti	Honduras	Peru	Belize	Indonesia	Malawi	Kenya	Mexico	Uganda	Tanzania	Total
ASSETS:												
Cash and cash equivalents	\$ 4,567,468	\$ 42,246	\$ 98,487	\$ 15,941	\$ 5,117	\$ 28,163	\$ 72,598	\$ 33,501	\$ 10,792	\$ 44,291	\$ 49,980	\$ 4,968,584
Contributions receivable–net	407,640	-	-	-	-	-	-	-	-	-	-	407,640
Prepaid expenses and other assets	470,073	(1,047)	511	-	-	25	673	-	-	9,378	-	479,613
Inventory–net	1,285,581	303,959	187,116	431,345	2,434	355,539	219,001	173,547	24,819	203,669	13,414	3,200,424
Property and equipment–net	526,180	294,568	20,490	53,157	-	12,989	137,571	-	22,832	208,565	13,840	1,290,192
Total Assets	\$ 7,256,942	\$ 639,726	\$ 306,604	\$ 500,443	\$ 7,551	\$ 396,716	\$ 429,843	\$ 207,048	\$ 58,443	\$ 465,903	\$ 77,234	\$ 10,346,453
LIABILITIES AND NET ASSETS:												
Accounts payable	\$ 111,943	\$ -	\$ -	\$ -	\$ -	\$ 18,895	\$ -	\$ -	\$ -	\$ 1,394	\$ -	\$ 132,232
Accrued expenses	193,151	219	-	-	-	-	1,011	-	-	2,890	-	197,271
	305,094	219	-	-	-	18,895	1,011	-	-	4,284	-	329,503
Net assets:												
Unrestricted	3,448,188	638,770	306,604	500,443	7,551	377,821	428,832	206,610	58,443	461,619	77,234	6,512,115
Temporarily restricted	3,503,660	737	-	-	-	-	-	438	-	-	-	3,504,835
Total net assets	6,951,848	639,507	306,604	500,443	7,551	377,821	428,832	207,048	58,443	461,619	77,234	10,016,950
Total Liabilities and Net Assets	\$ 7,256,942	\$ 639,726	\$ 306,604	\$ 500,443	\$ 7,551	\$ 396,716	\$ 429,843	\$ 207,048	\$ 58,443	\$ 465,903	\$ 77,234	\$ 10,346,453

WATER MISSIONS INTERNATIONAL
and Affiliates

Consolidating Statement of Activities

Year Ended September 30, 2014

	Charleston	Haiti	Honduras	Peru	Belize	Indonesia	Malawi	Kenya	Mexico	Uganda	Tanzania	Total
SUPPORT AND REVENUE:												
Contributions:												
Unrestricted	\$ 3,015,996	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,218	\$ -	\$ -	\$ -	\$ 3,025,214
Temporarily restricted	4,707,813	38,325	-	-	-	-	-	12,838	-	245,819	-	5,004,795
Intercompany gifts	(3,504,332)	835,233	258,391	389,005	-	465,690	298,448	527,749	134,082	453,656	142,078	-
Gifts-in-kind	574,702	198,061	97,511	104,998	-	250,466	83,819	12,024	949	54,227	13,414	1,390,171
Sales revenue	126,778	3,705	-	-	-	-	55	-	-	5,133	-	135,671
Special events:												
Revenues	374,815	-	-	-	-	-	-	-	-	-	-	374,815
Direct costs	(128,247)	-	-	-	-	-	-	-	-	-	-	(128,247)
Interest income	14,699	-	-	-	-	-	-	-	-	-	-	14,699
Other income	9,533	16,892	2,140	-	-	3,100	3,529	14,550	77	137,842	-	187,663
Total Support and Revenue	5,191,757	1,092,216	358,042	494,003	-	719,256	385,851	576,379	135,108	896,677	155,492	10,004,781
EXPENSES:												
Program services:												
Community development	2,879,549	842,019	316,562	284,944	-	305,416	221,523	617,271	93,251	1,183,793	78,230	6,822,558
Disaster response	991,688	-	1,292	31	-	72,604	594	-	3,062	-	-	1,069,271
Research and development	430,541	1,894	4,840	-	-	-	-	-	-	1,242	-	438,517
Advocacy	17,513	-	-	-	-	-	-	-	-	-	-	17,513
	4,319,291	843,913	322,694	284,975	-	378,020	222,117	617,271	96,313	1,185,035	78,230	8,347,859
Supporting activities:												
Management and general	523,664	-	890	-	-	-	-	-	-	-	-	524,554
Fund-raising	989,102	-	5,149	-	-	-	-	-	-	-	-	994,251
	1,512,766	-	6,039	-	-	-	-	-	-	-	-	1,518,805
Total Expenses	5,832,057	843,913	328,733	284,975	-	378,020	222,117	617,271	96,313	1,185,035	78,230	9,866,664

**WATER MISSIONS INTERNATIONAL
and Affiliates**

Consolidating Statement of Activities

Year Ended September 30, 2014

	Charleston	Haiti	Honduras	Peru	Belize	Indonesia	Malawi	Kenya	Mexico	Uganda	Tanzania	Total
Change in Net Assets before Translation Adjustment	(640,300)	248,303	29,309	209,028	-	341,236	163,734	(40,892)	38,795	(288,358)	77,262	138,117
Translation Adjustment	-	(18,373)	3,553	(9,244)	(181)	(7,224)	(56,869)	(7,490)	273	(28,407)	(28)	(123,990)
Change in Net Assets	(640,300)	229,930	32,862	199,784	(181)	334,012	106,865	(48,382)	39,068	(316,765)	77,234	14,127
Beginning Net Assets	7,738,985	-	-	-	-	-	-	-	-	-	-	7,738,985
Change in Reporting Entity As restated	(146,837)	409,577	273,742	300,659	7,732	43,809	321,967	255,430	19,375	778,384	-	2,263,838
	<u>7,592,148</u>	<u>409,577</u>	<u>273,742</u>	<u>300,659</u>	<u>7,732</u>	<u>43,809</u>	<u>321,967</u>	<u>255,430</u>	<u>19,375</u>	<u>778,384</u>	<u>-</u>	<u>10,002,823</u>
Ending Net Assets	<u>\$ 6,951,848</u>	<u>\$ 639,507</u>	<u>\$ 306,604</u>	<u>\$ 500,443</u>	<u>\$ 7,551</u>	<u>\$ 377,821</u>	<u>\$ 428,832</u>	<u>\$ 207,048</u>	<u>\$ 58,443</u>	<u>\$ 461,619</u>	<u>\$ 77,234</u>	<u>\$ 10,016,950</u>