

FURTHER UP



FURTHER IN



ANNUAL REPORT FY 2017

Water & Love

This is our call: to love others in real, tangible ways. To love like Jesus.

Over the past 40 years, Lifewater has served more than 2.5 million people with life-saving clean water, sanitation and hygiene. As we look ahead to the next forty, we'll need to go further and deeper than ever before. We are Christians committed to ending the global water and sanitation crisis.

And we won't stop working until every child has safe water.

Contents

A Letter from Our CEO 5

Vision of a Healthy Village 6

Year in Review 8

FY 2017 By the Numbers10

A Three-Part Approach.....12

WASH14

Sustainability.....16

Gospel Impact.....18

FY 2017 Financials20

Looking Ahead22

Our Leadership.....24

Remembering Our Founder.....27

Credits.....28





A man with glasses and a beard is smiling broadly while washing his hands at a public water station. He is wearing a dark polo shirt and light-colored pants. The background shows a building and some foliage. The entire image has a blue tint.

**“See, I am doing a new
thing...I am making a way in
the wilderness and streams
in the wasteland.”**

— Isaiah 43:19

A Letter from Our CEO

Three years ago, we made a direction-shaping decision for Lifewater. Instead of relying on in-country partners for program work, we shifted to Lifewater-staffed field teams. It was a big step of faith, but we are now seeing the fruit in our ability to serve more people, more effectively with consistent quality.

This change shaped our Vision of a Healthy Village, a vision that has become a reality. In 2017, we opened our sixth field office led entirely by national field staff. Combined, these teams currently reach 86,000 people every month with life-changing health & hygiene lessons any family can do. The result: nearly 4,000 healthy homes have been certified by our field staff, all tracked in real-time with our advanced cloud-based data system.

Our teams also worked alongside communities to complete 118 village water projects, the most in any fiscal year in our history. These results were made possible through the generous support of investors like you who provided a record \$3.8M, an increase of 36% over the prior year. It was an honor to reach this milestone as we celebrated the life of our founder, William A. Ashe, who went to be with the Lord this past December.

As a Christian organization, we seek to join God's redemption story already at work among the people we serve. Our partnership with the church-planting ministry CityTeam International is off to a strong start as teams work in tandem with Lifewater staff to reach unreached communities with the Gospel.

Thank you for investing in this ministry. The best is yet to come! Empowered with a replicable model, this year we plan to add two additional field offices, deploy a drilling division in Ethiopia, and complete 150 village water projects. The Lord is doing something new in us that we believe has ripple effects far beyond Lifewater. Thank you for fueling this work—none of it happens without you!

Glad to serve with you,



Justin Narducci, President/CEO

Vision of a Healthy Village

Lifewater is tackling the water crisis through something we call the Vision of a Healthy Village. Because it's not just about drinking dirty water. It's about individuals and families transforming unhealthy behaviors that have persisted for generations.

Vision of a Healthy Village is the culmination of 38 years of experience in water access, sanitation, and hygiene (WASH) and exhaustive research of best practices in Christian community development. And it's working. To date, more than 185 communities are actively involved in the Vision of a Healthy Village program.

What Makes a Village Healthy?

A healthy village is made up of individual households that have adopted five simple yet life-changing improvements. Everything is built using affordable, locally-available materials.



WASH HANDS

Everyone washes hands with soap and water.



STORE & USE WATER SAFELY

Water is filtered or boiled to avoid contamination.



BATHROOM WITH ROOF & DOOR

A clean, safe place to go.



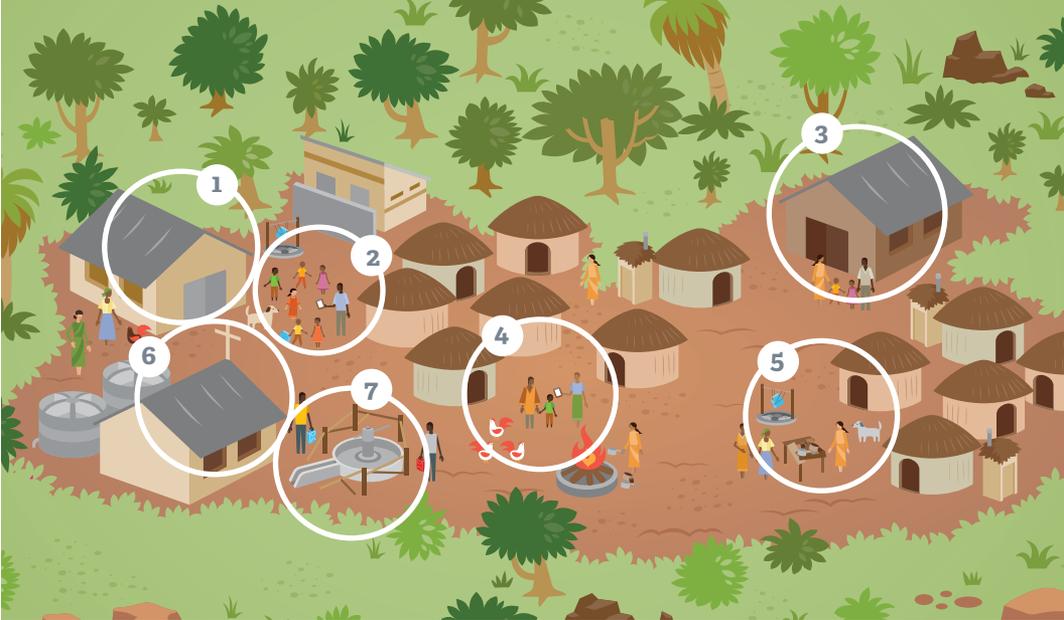
DRYING RACK

Dishes are kept away from animals and waste.



KEEP AREA CLEAN

Area around home is safe and clean.



1. Healthy School

Safe water and bathrooms keep kids in school and help reduce poverty.

2. WASH Club

Students learn and share safe sanitation and hygiene habits.

3. Local Government

Collaboration helps ensure support and water source maintenance.

4. Health Promoters

Community volunteers set an example and help neighbors make healthy changes.

5. Water Committee

Local leaders manage the well and collect fees for maintenance.

6. Church Planting

Clean water opens doors for the Gospel where there is no local church.

7. Water Source

The final step: working together to build a safe water source.

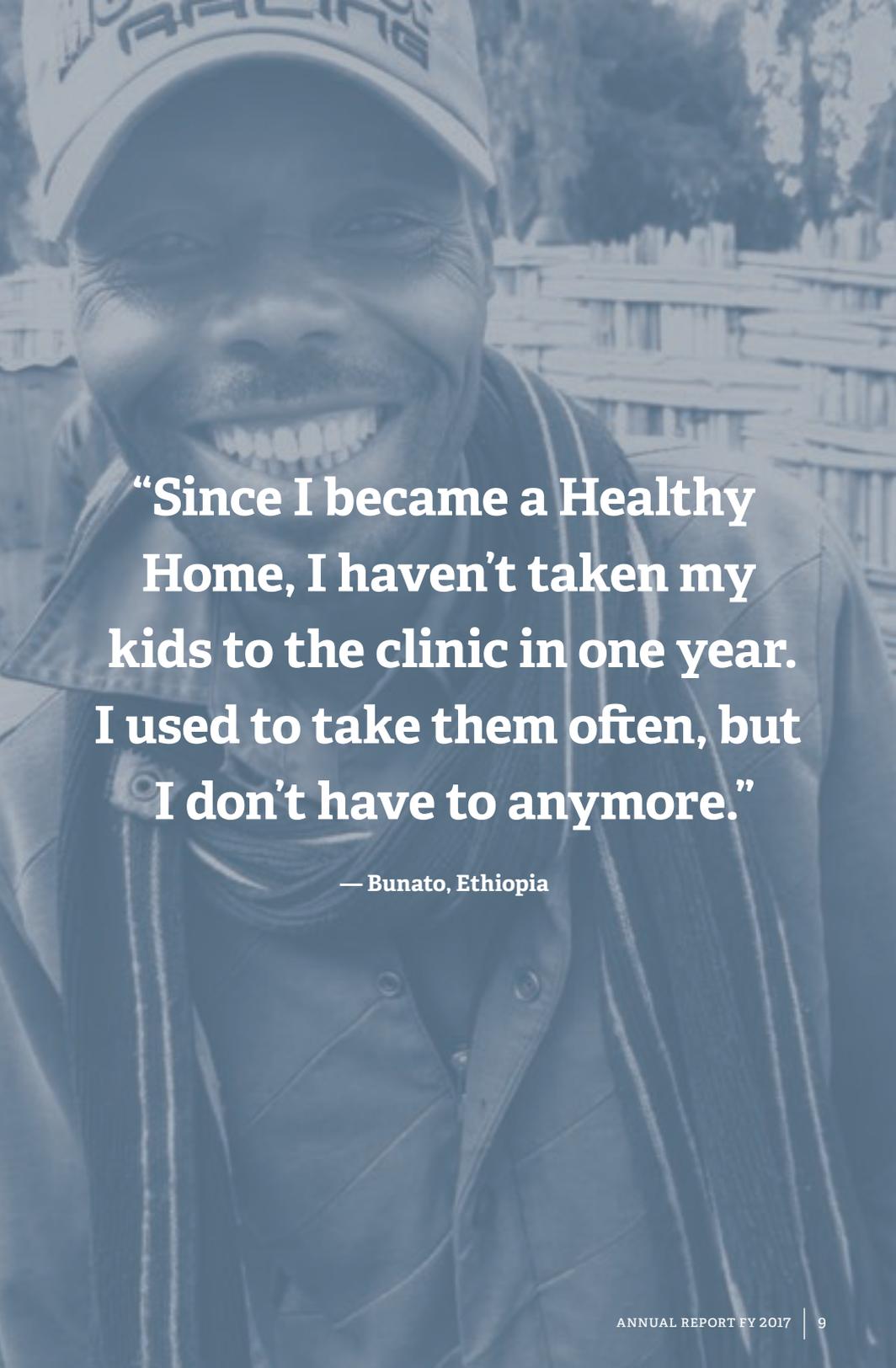
All field activities are tracked in real time using AKVO, a cloud-based data collection tool

Year in Review

Fiscal Year 2017 marks a turning point. Building upon a 40-year legacy of faithful service, our Vision of a Healthy Village program has catalyzed lasting change for more than 85,000 vulnerable people.

This year was a historic one: with the launch of three new field offices in Ethiopia (2) and Cambodia (1) plus the completion of 118 village water projects, it is the biggest impact we have ever had in our 40 years of service.



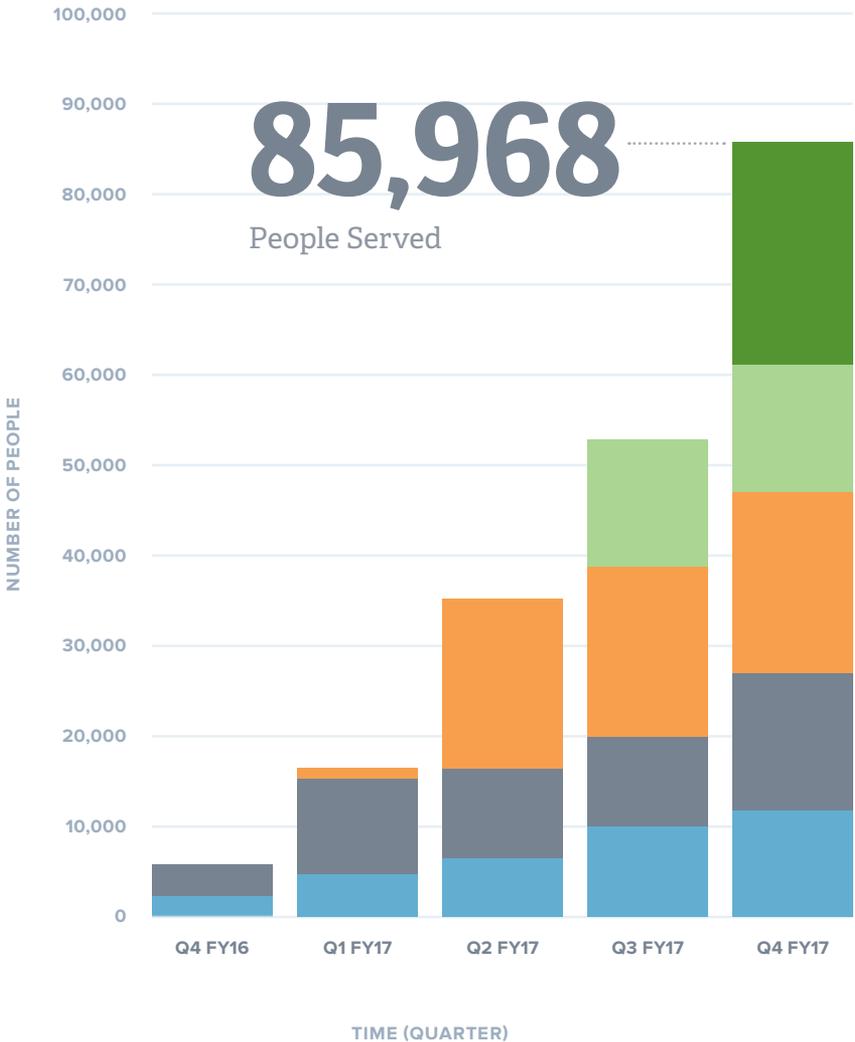
A close-up photograph of a man smiling broadly. He is wearing a light-colored cap with some text on it and a dark jacket with a striped scarf. The background is slightly out of focus, showing what appears to be a wooden structure. The entire image has a blue tint overlay.

“Since I became a Healthy Home, I haven’t taken my kids to the clinic in one year. I used to take them often, but I don’t have to anymore.”

— Bunato, Ethiopia

FY 2017 By the Numbers

ACTIVE PARTICIPANTS (CUMULATIVE)



- BORENA, ETHIOPIA
- KALIRO, UGANDA
- WEST ARSI, ETHIOPIA
- SVAY LEU, CAMBODIA
- BENSA, ETHIOPIA

3,783



Healthy Homes

52

Field Staff

16

HQ Staff

136

Trained Water Committees

610

Active Community Health Facilitators



24

Active Church Planters



10–15%

Community Contribution for Water Source



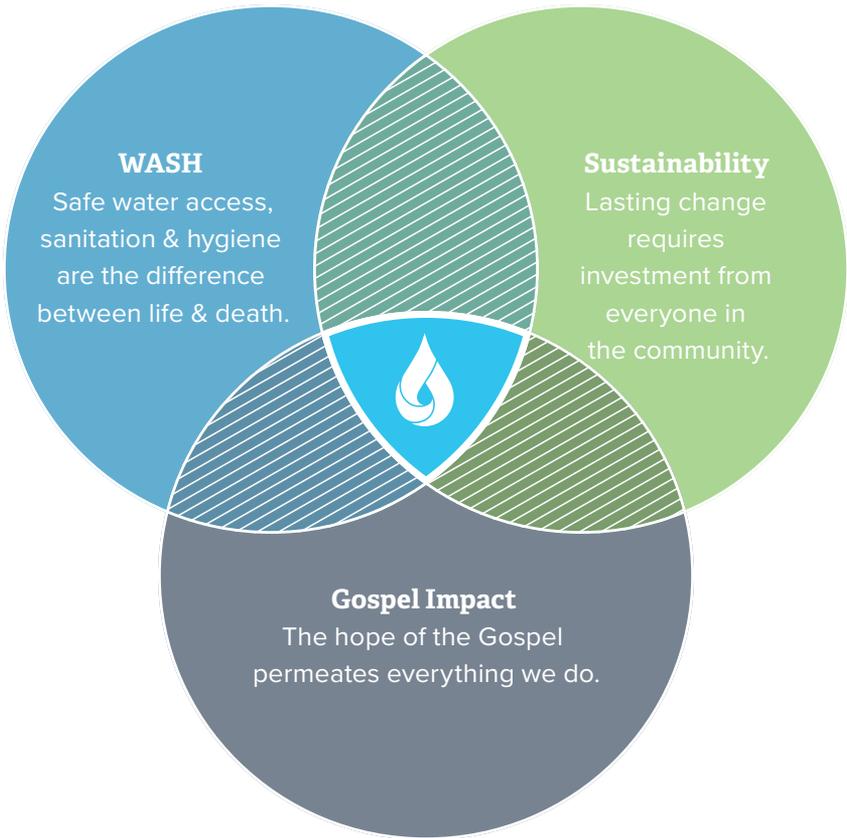
118

Village Water Projects Completed



A Three-Part Approach

Vision of a Healthy Village is a holistic approach that goes beyond building wells. It's rooted in a deep belief in the dignity and capability of those whom we serve. Together, these three areas of focus transform communities for good:





**“Now there is no more
disease in my family.”**

— Ruth, Uganda

SH Facilitator

WASH

To achieve the greatest health benefits, improvements in access to safe, clean water, adequate sanitation, and hygiene education must be made together. These three disciplines, commonly referred to as “WASH,” can virtually eliminate water-borne diseases.

HYGIENE HABITS

Simple practices like washing hands, drying dishes away from animals, and keeping a clean compound make a big difference.



COMMUNITY-LED TOTAL SANITATION

Lifewater staff show communities how feces is contaminating their environment, then leaders rise up to bring change to their village.



SAFE WATER SOURCES

Once healthy changes have been adopted, Lifewater works with the community to build a sustainable water source. It might be a well, a renovated spring, or even rain tanks.



Ethiopia

118

Water Points
Constructed



WATER POINTS

3,783

Healthy Homes



HEALTHY HOMES

85,968

People Served



PEOPLE SERVED

Uganda

18

WATER POINTS

Cambodia

19

WATER POINTS

1,646

HEALTHY HOMES

399

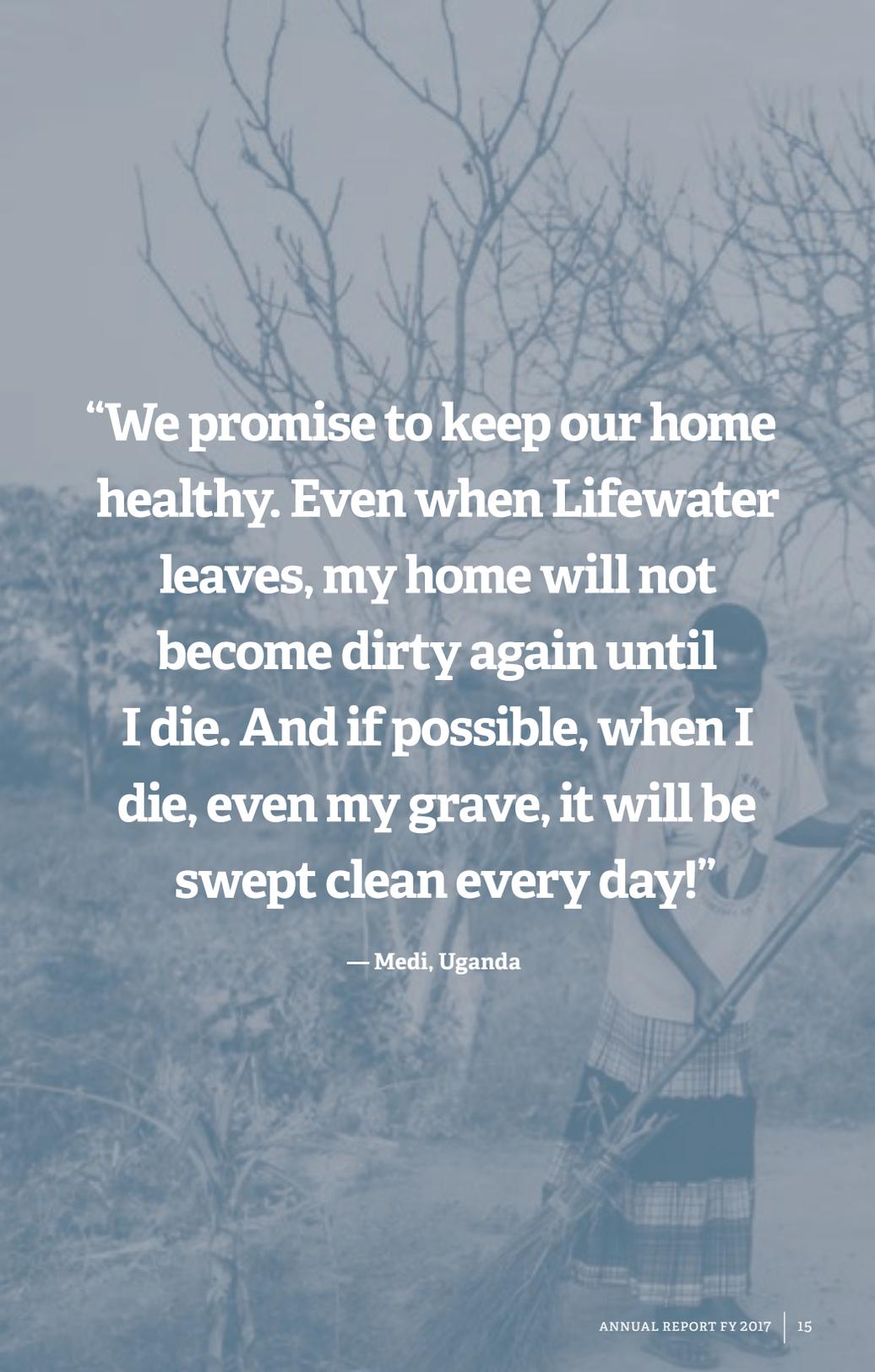
HEALTHY HOMES

18,465

PEOPLE SERVED

14,857

PEOPLE SERVED

A person wearing a white t-shirt and a patterned wrap is sweeping a dirt path with a broom. The background shows dry, brushy vegetation under a clear sky. The entire image has a light blue overlay.

“We promise to keep our home healthy. Even when Lifewater leaves, my home will not become dirty again until I die. And if possible, when I die, even my grave, it will be swept clean every day!”

— Medi, Uganda

Sustainability

Real, lasting change happens when communities actively contribute to the program. We spend time establishing relationships, listening, and activating resources already within the community. The result is empowered people, thriving villages, and change that lasts.

TRAINING INFLUENCERS

Change comes from within the community. We identify and train trendsetters to spearhead a grassroots movement.



COMMUNITY CONTRIBUTIONS

Communities know the pride of ownership. Each village contributes 10–15% of the cost of the water source through labor, materials, or capital.



WATER COMMITTEES

Water Committees ensure the community's investment lasts for generations to come by monitoring use, collecting fees, and managing repairs.



COMMUNITY PARTICIPATION

136

Active Water
Committees

with

1,018

members

GROWING NUMBERS

610

WASH
Influencers



ETHIOPIA



UGANDA



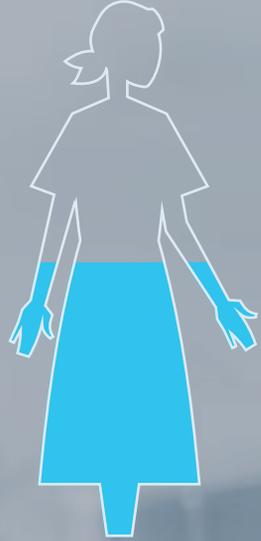
CAMBODIA

EMPOWERING WOMEN

50%

Women Leaders

Water Committees elevate women to leadership roles, with half the posts filled by women leaders from the community.



WATER PUMP SUCCESS RATE



vs.



94% of the wells Lifewater has built over the past 10 years are still operational, compared to the 30–40% average failure rate of wells in sub-Saharan Africa.*

**Lifewater figures based on preliminary reports on 49 water points drilled in northern Uganda between 2007–2015. Phase 2 will be completed in 2017 with full report to follow. Overall numbers based on estimates made by the Rural Water Supply Network.*

A woman wearing a white headscarf is smiling warmly at the camera. In the background, the face of a young child is partially visible, looking upwards. The entire image has a light blue overlay.

**“Being part of the committee
is being part of the solution
to our problems, and that
makes me happy.”**

— Ayantu, Water Committee Member, Ethiopia

Gospel Impact

God is moving in the places we serve. Lifewater works alongside local churches, mobilizing believers to help their neighbors learn healthy habits. Many communities have significant unreached populations—when there is no local church, we partner with church planters to bring the Gospel to those who have never heard Jesus cares for them.

CHRIST-CENTERED WORK

By meeting practical needs in relationship, doors are opened to share the love of Jesus.



UNREACHED PEOPLE GROUPS

Lifewater works in the 10/40 Window, home to 2.5 billion people of Muslim, Buddhist, and Hindu faith and very few Christian workers.



CHURCH PLANTING

Through our partnership with CityTeam International, we launch Disciple Making Movements and discovery Bible studies in unreached communities.





Active Church
Planters



Discovery Bible
Study Groups



Church Leaders
Trained

OUR COMMITMENT

100% Christian
Staff

Our headquarters and field offices are staffed by believers committed to loving like Jesus.



Story of Impact

Moses is a believer in Kaliro, Uganda. His neighbor is a prominent witch doctor in the community, and Moses had never had the courage to share his faith before.

After participating in the Disciple Making Movement training with CityTeam, Moses was challenged to reach out to his neighbor. The witch doctor has invited Moses to begin a discovery Bible study in his home.



**“Lifewater provides a
real way to live out our
commitment to love like
Jesus and make a lasting
impact in the world.”**

**— Billy Nolan, Director of Global Partnerships at
North Point Community Church**

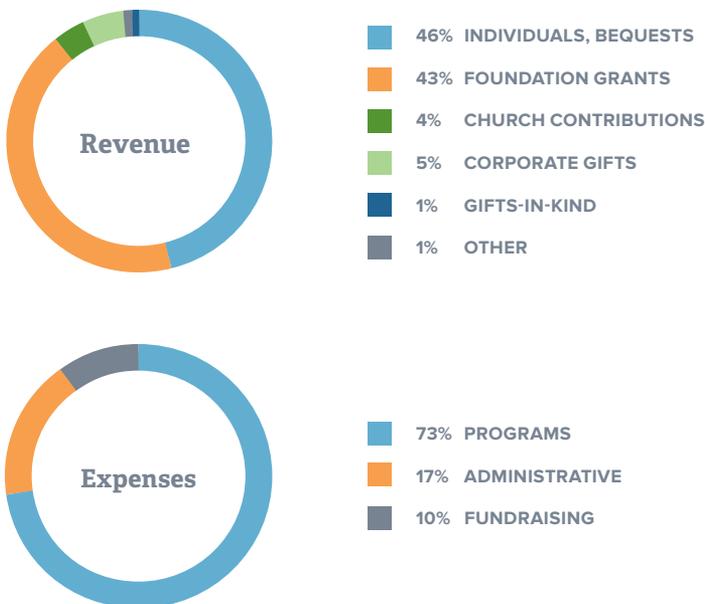
FY 2017 Financials

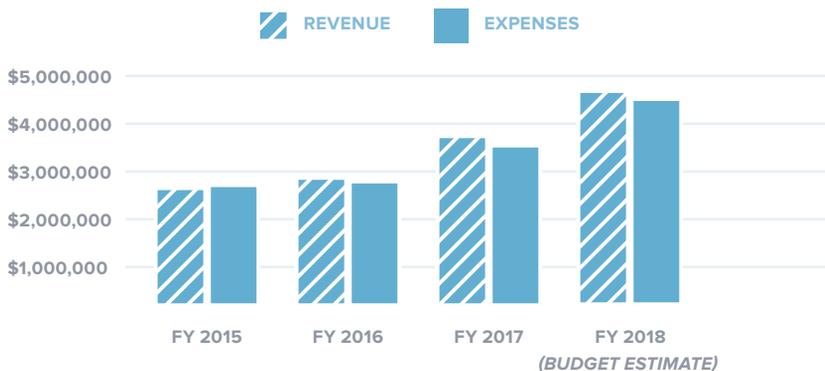
Fiscal Year 2017 was another record-setting year for Lifewater. Total donations topped \$3.8M, up 36% over the previous year. Growth trends remain strong moving into FY 2018, and we are projecting \$4.5M in donations for the upcoming fiscal year.

Program expenses increased in step with donations, up 32% for the fiscal year. The first-ever Lifewater drill rig is scheduled to deploy in Ethiopia in the fall of 2017 and two additional field locations are planned for launch, both of which will fuel increases in program expenditures in the new year.

Our team is working hard to reduce administrative costs. We've budgeted 10% total administrative expenses for FY 2018, a significant improvement from 17% in FY 2017.

Revenue and Expenses





Statement of Activities

SUPPORT & REVENUE	FY 2017	FY 2016
CONTRIBUTIONS	3,491,179	2,572,712
SPECIAL EVENTS	283,264	151,219
IN-KIND CONTRIBUTIONS	28,978	74,700
PROGRAM FEES	23,940	28,827
OTHER INCOME	7,212	1,014
TOTAL SUPPORT & REVENUE	3,834,573	2,828,472

EXPENSES	FY 2017	FY 2016
PROGRAM SERVICES	2,683,071	2,026,381
ADMINISTRATIVE	635,700	384,178
FUNDRAISING	371,316	324,913
TOTAL EXPENSES	3,690,087	2,735,472

CHANGE IN NET ASSETS	144,486	93,000
NET ASSETS, BEGINNING OF YEAR	772,761	679,761
NET ASSETS, END OF YEAR	917,247	772,761

Lifewater upholds the highest standards of financial stewardship. Our organization is accredited by the Evangelical Council for Financial Accountability and has been awarded Gold Participant Status by GuideStar for transparency in our finances and impact.

View detailed financial information (including an independent audit and IRS form 990) on our website: lifewater.org/financials.

Looking Ahead

Experts believe we can end the world water crisis in our lifetime. It's a seemingly insurmountable goal, and yet in the past 25 years, 2.6 billion people have gained access to an improved drinking water source. We are making real progress.

The road ahead will be difficult. Of the more than 663 million people still living without safe water, most live in rural, hard-to-reach places within the 10/40 Window. As we look to ending the world water crisis, we'll need to go further and deeper than ever before.

Equipped with a proven, scalable model (the Vision of a Healthy Village), we are moving forward in faith to bring safe water and health to more people, more effectively. Further up and further in!

FY 2018 Strategic Objectives



**Increase capacity to serve
100,000 per year by 2019**



Launch new country program in Laos



**Deploy drill rig to serve
100,000+ in rural Ethiopia**



**Monitor water source sustainability
with real-time data**



**Invest in staff spiritual formation
and leadership development**

Villages Served



Our Leadership

Senior Staff

JUSTIN NARDUCCI, MBA

President/CEO

PAMELA CRANE-HOOVER, PHD

Vice President, Global Programs

CHRISTINE ZURBACH

Vice President, Philanthropy

LINDSAY LANGE, MSPH

Director of Program Quality

GARY WEYEL

Director of Marketing

ZERIHUN HAILU

Country Director, Ethiopia

ALEX MBAGUTA

Country Director, Uganda

SOPHEAK IM

Country Director, Cambodia

FY2017 Board of Directors

JUSTIN AHRENS

Governance Committee

GENE ASHE

Vice Chairman

JEFF BJORCK, PHD

Secretary

HAROLD HARRINGTON

Treasurer

DOUGLAS HEADRICK, MS, MBA

Chairman

DAVID LEVAN, MBA

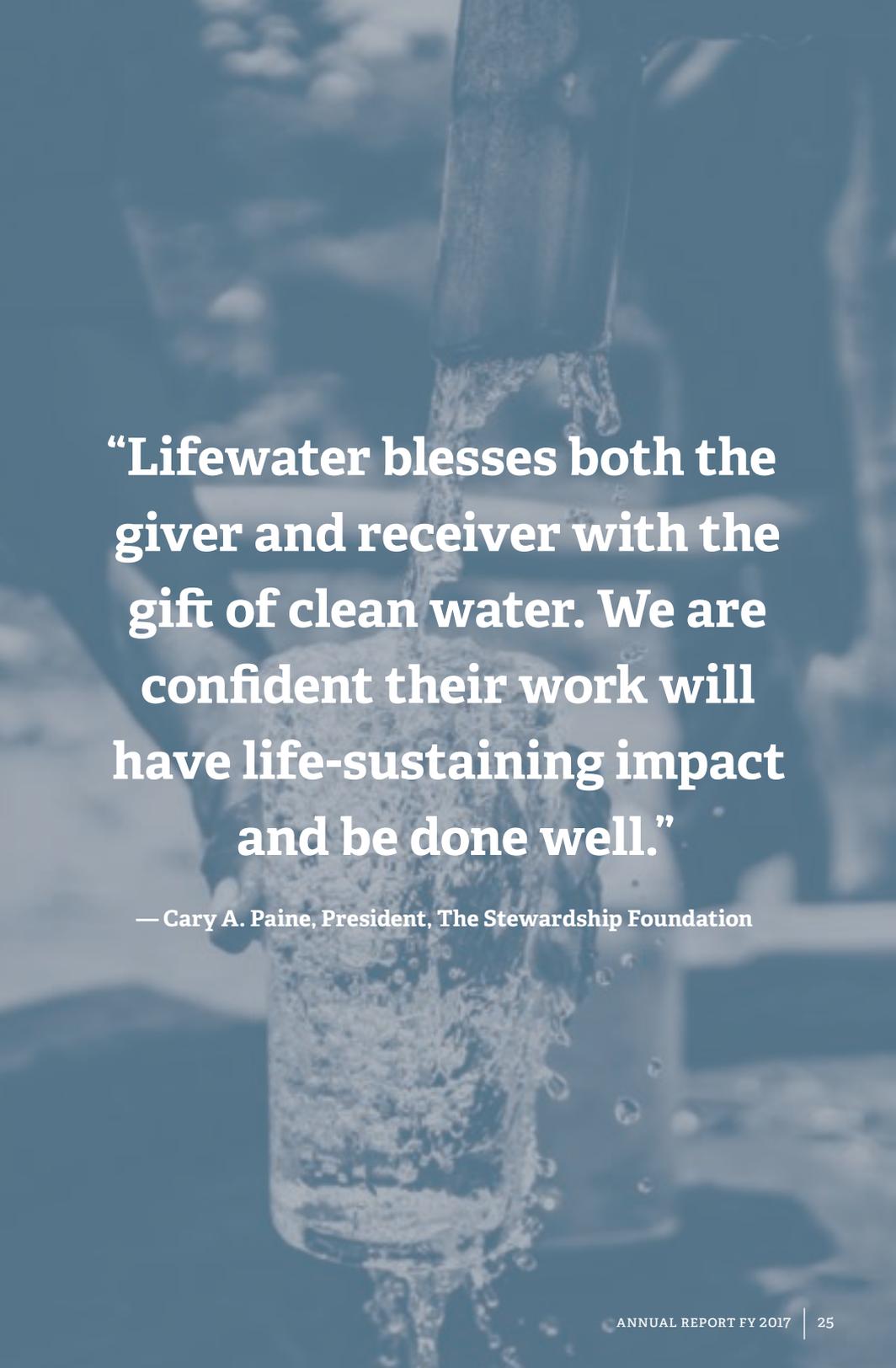
Board Member

JUSTIN NARDUCCI, MBA

President/CEO

Learn more about our staff and board: lifewater.org/team





“Lifewater blesses both the giver and receiver with the gift of clean water. We are confident their work will have life-sustaining impact and be done well.”

— Cary A. Paine, President, The Stewardship Foundation

A man in a white shirt and tie is smiling and holding a glass of water. The image has a blue overlay. The text is overlaid on the image.

**“It becomes more than just
safe drinking water for a
few people; it becomes a
miracle in the community.”**

— William A. Ashe



Remembering Our Founder

William A. Ashe
1931–2016

Even as a brand-new Christian, Bill Ashe knew one thing for sure: he was called to love his neighbor as himself. It wasn't just words on a page—it was a clear call to do something. And for Bill, a third generation water pump professional, that something was bringing safe water to the vulnerable in our world.

Never did Bill imagine his humble efforts would grow into Lifewater International, a Christian non-profit organization that would serve more than 2.5 million people across 40 countries in 40 years with safe water, improved hygiene and better sanitation.

Thank you, Bill, for modeling what it means to love Christ and to serve Him among the most vulnerable. We will celebrate your life and legacy in our daily work to provide safe and sustainable water to every child—for the glory of God and the good of all people.



Credits

Photo Credits: David Uttley, Tyler Wohlford, Brian MacDonald

Paper generously donated by: Mohawk Fine Papers

Printing: O'Neil Printing

Design: Rule29 Creative