HEALTHY VILLAGES
THRIVING PEOPLE
e learned a lot from Caroline. Newly widowed, she was more vulnerable to the daily challenges of the rural poor in Uganda than most. A community health mobilizer walked alongside her last year as she improved her hygiene practices, built her own latrine, and was able to save money and build a new well with her neighbors. Her life transformed. This past year she taught all her neighbors—the entire village—how to do the same.

You’ll find the rest of Caroline’s story in this report, but from her family’s story and the stories of many, many others, we learned important lessons about the ability of personal relationships to deepen and broaden impact.

In a few years we will look back at FY2015 as a pivotal year for Lifewater. We did a lot of praying and planning this year, and as you’ll see in the pages that follow this letter, the outcome is what we are calling our Vision of a Healthy Village (VHV): a program framework that strengthens and emboldens Lifewater programs across the globe. It is a result of our 38 years of experience in water access, sanitation, and hygiene (WASH) and exhaustive research of best practices in Christian community development.

VHV is people-centered and highly relational. Community health mobilizers are in direct, sustained relationship with a specific village cluster. These workers walk alongside vulnerable children and families, just as they did with Caroline.

As critical as each element of WASH is, they are not the true impact of all VHV activities. Those pieces are essential, but they are not transformative. What is transformative is when the families we serve experience the love of Christ—and then they turn around and do likewise to their neighbors. We witness transformation when the served becomes the servant.

Caroline is a model of this, but we have another one: Jesus, who chose to serve in direct relationships by which people were transformed. This is what we have in mind when we talk about people-centered development. This is the essence of our Vision of a Healthy Village.

You are making these relationships possible, and you have walked alongside thousands of families like Caroline’s this past year. Thank you.

Grateful to serve with you,

Justin Narducci, MBA
President / CEO
Lifewater International
Until last year, Esnino, a mother to seven, used to join in the daily twenty-mile trek for water. She returned each day to unfed, unhealthy children whose faces she did not have enough water to wash.

Not anymore.

Last year, with Lifewater’s help, Esnino and her neighbors in Haralo built a cistern that safely collects and stores rainwater during the rainy season for use during the dry season. What does she do with that time now?

“Now I can give them breakfast and clean them. They are healthy. We have a more peaceful household. Life is better for children and their mothers.”

Esnino and her neighbors didn’t stop there. Safe water and sanitation has given them better health, but it has also freed up hours in each woman’s day to participate in community meetings and spend time in productive labor. By collecting small fees at the water source, they bought materials and built the first school in Haralo. Esnino’s children are the first to attend school in their family.

Esnino used her small savings to buy a chalkboard for her home so that the children could practice writing. She watches them and practices herself when she has time.
STATEMENT OF ACTIVITIES
Year Ended March 31, 2015

SUPPORT AND REVENUE

FY 2015 FY 2014
Contributions $2,173,963 $1,538,560
In-kind contributions $171,054 $239,046
Government grants $46,480 $263,522
Program fees $51,321 $85,572
Special events $112,269 $124,709
Merchandise sales $15,916 $697
Other income $41,080 $5,893
Net assets released from restrictions - -
Total Support & Revenue $2,612,083 $2,257,899

EXPENSES

Program services $1,924,240 $1,616,351
Supporting services
  General & administrative $446,777 $342,020
  Fundraising $306,381 $295,795
Total supporting services $753,158 $637,815
Total Expenses $2,677,398 $2,254,166
Change in net assets $(65,315) $(3,833)
NET ASSETS AT BEGINNING OF YEAR $900,127 $896,294
NET ASSETS AT END OF YEAR $834,812 $900,127

Notes to the Financial Statements

1 Federally funded programs came to scheduled completion during the first quarter of the fiscal year.
2 Effective July 1, 2014, the independent non-profit organization Activate Water merged with LifeWater and operates as a wholly owned entity of LifeWater. All rights and assets of Activate Water have been transferred to LifeWater.
3 Total income (not including in-kind) increased by 21%, with growth coming from grants made by private Christian foundations (up 135%) and local churches (up 105%).

FINANCIAL SUMMARY

FY 2013 – FY 2015 COMPARISON OF TOTAL REVENUE COMPARED TO EXPENSES

Revenue Expenses

STATEMENT OF FINANCIAL POSITION
Year Ended March 31, 2015

ASSETS
FY 2015 FY 2014
Cash & cash equivalents $306,211 $539,043
Grants & contributions receivable $138,701 $114,061
Bequests receivable $352,540 $235,651
Other receivables $5,465 $1,100
Prepaid expenses & deposits $26,546 $21,830
Inventory $23,418 $1,958
Furniture & Equipment, less accumulated depreciation of $41,003 in 2015 and $23,659 in 2014 $82,337 $33,365
Total Assets $935,218 $947,008

LIABILITIES & NET ASSETS

Accounts payable $26,868 $7,095
Accrued expenses $73,720 $39,786
Total Liabilities $100,406 $46,881

NET ASSETS

Unrestricted $301,791 $546,476
Temporarily restricted $533,021 $353,651
Total Net Assets $834,812 $900,127
Total Liabilities & Net Assets $935,218 $947,008

Notes to the Financial Statements (continued)

4 Total program expenditures increased commensurate with revenue, with new regional programs beginning in Ethiopia, the Democratic Republic of the Congo, Cambodia, and continuing in all other Lifewater program countries. In addition, Lifewater added new country leadership in Uganda to increase program growth and opportunities to serve in the years to come.
5 Net income was marginally negative ($65,315) at -2.5% of total income caused by a non-profit funding partner’s inability to meet their financial commitment. Lifewater chose not to pursue legal measures against this partner to recoup lost income, and continued the program as scheduled. Total income lost from this contract termination was $243,334. Lifewater’s cash position decreased relative to the previous year in order to meet the unfunded program obligations.
LIFEWATER’S
VISION OF A HEALTHY VILLAGE

Purpose: to walk alongside families, leaders, and churches in overcoming all forms of water poverty by living in a healthy relationship with God and the environment.

LOCAL CHURCHES

The local church reinforces the message of God’s love. We help them reach their neighbors with tangible, meaningful activities.

GOVERNMENT

Local government makes long-term strategic and enforce standards. We help them reach the people they can’t serve on their own.

WATER COMMITTEES

The village-selected committee maintains the water source. We train them to do it themselves, and connect them with local professionals.

COMMUNITY HEALTH MENTORS

Local women mentored with training to help them build healthy water practices. We equip the mentors.

LOCAL SCHOOLS

Schools educate the next generation. We help them construct toilets and water sources and teach kids about water so they can stay in school.

COMMUNITY HEALTH MENTORS

Local women mentored with training to help them build healthy water practices. We equip the mentors.

HEALTH CLINICS

Health clinics treat water-borne diseases. We train clinic workers to teach families how to prevent disease.

IT’S HEALTHY WHEN...

• Young children are not dying from preventable, water-borne diseases like diarrhea.
• Families make and keep more money that used to be spent on remedies.
• Kids, especially girls, are in school more and for longer.
• Physical access like latrines and hand pumps last without further renewal funding.
• The local church has more opportunity to reach their neighbors.
• Women have a stronger voice in their household and village.