

# **The DigDeep Right to Water Project**

Financial Statements

December 31, 2022  
(With Comparative Totals for 2021)



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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
The DigDeep Right to Water Project  
Los Angeles, California

### **Opinion**

We have audited the accompanying financial statements of The DigDeep Right to Water Project (a California nonprofit corporation) (the "Organization"), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year 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 The DigDeep Right to Water Project as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit 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 DigDeep Right to Water Project and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 these 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 DigDeep Right to Water Project's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



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## **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 DigDeep Right to Water Project'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 DigDeep Right to Water Project'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.

## **Report on Summarized Comparative Information**

The financial statements of The DigDeep Right to Water Project as of December 31, 2021, were audited by other auditors whose report dated July 29, 2022, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent in all material respects, with the audited financial statements from which it has been derived.



Armanino<sup>LLP</sup>  
Irvine, California

The DigDeep Right to Water Project  
Statement of Financial Position  
December 31, 2022  
(With Comparative Totals for 2021)

	2022	2021
ASSETS		
Cash	\$ 13,871,650	\$ 12,714,591
Investments	1,789,619	1,678,879
Contributions and grants receivable	13,143,566	90,000
Prepaid expenses and other assets	236,297	158,604
Property and equipment, net	2,800,669	2,314,426
Deposits	6,500	-
Right-of-use lease assets	148,195	-
Total assets	\$ 31,996,496	\$ 16,956,500
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 588,527	\$ 281,639
Operating lease liabilities	151,458	-
Total liabilities	739,985	281,639
Net assets		
Without donor restrictions	9,151,090	5,935,210
With donor restrictions	22,105,421	10,739,651
Total net assets	31,256,511	16,674,861
Total liabilities and net assets	\$ 31,996,496	\$ 16,956,500

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

The DigDeep Right to Water Project  
Statement of Activities  
For the Year Ended December 31, 2022  
(With Comparative Totals for 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
Revenue, gains (losses) and support				
Contributions	\$ 1,245,876	\$ 5,023,822	\$ 6,269,698	\$ 7,856,603
Grants	4,425,048	15,996,231	20,421,279	4,567,678
Investment income (loss), net	(20,910)	-	(20,910)	16,808
Sales, net of cost of goods sold of \$58,364 for 2022 and \$63,678 for 2021	(4,155)	-	(4,155)	26,576
Gain (loss) on disposal of fixed assets	14,434	-	14,434	(62,370)
Net assets released from restriction	<u>9,654,283</u>	<u>(9,654,283)</u>	<u>-</u>	<u>-</u>
Total revenue, gains (losses) and support	<u>15,314,576</u>	<u>11,365,770</u>	<u>26,680,346</u>	<u>12,405,295</u>
Functional expenses				
Program services	9,616,405	-	9,616,405	5,786,195
Management and general	1,094,093	-	1,094,093	741,388
Fundraising	<u>1,388,198</u>	<u>-</u>	<u>1,388,198</u>	<u>862,688</u>
Total functional expenses	<u>12,098,696</u>	<u>-</u>	<u>12,098,696</u>	<u>7,390,271</u>
Change in net assets	3,215,880	11,365,770	14,581,650	5,015,024
Net assets, beginning of year	<u>5,935,210</u>	<u>10,739,651</u>	<u>16,674,861</u>	<u>11,659,837</u>
Net assets, end of year	<u>\$ 9,151,090</u>	<u>\$ 22,105,421</u>	<u>\$ 31,256,511</u>	<u>\$ 16,674,861</u>

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

The DigDeep Right to Water Project  
Statement of Functional Expenses  
For the Year Ended December 31, 2022  
(With Comparative Totals for 2021)

	Program Services				Support Services		2022 Total	2021 Total
	Water Projects	Education	Research	Total Program Services	Management and General	Fundraising		
Personnel expenses								
Salaries	\$ 2,893,255	\$ 145,407	\$ 50,692	\$ 3,089,354	\$ 251,365	\$ 617,705	\$ 3,958,424	\$ 2,349,579
Employee related benefits and taxes	<u>680,921</u>	<u>21,224</u>	<u>9,522</u>	<u>711,667</u>	<u>69,200</u>	<u>108,880</u>	<u>889,747</u>	<u>427,039</u>
Total personnel expenses	<u>3,574,176</u>	<u>166,631</u>	<u>60,214</u>	<u>3,801,021</u>	<u>320,565</u>	<u>726,585</u>	<u>4,848,171</u>	<u>2,776,618</u>
Advertising	47,281	-	284	47,565	10,113	97,119	154,797	120,617
Bank and merchant fees	-	-	-	-	93,656	-	93,656	108,887
Depreciation	419,382	-	-	419,382	-	-	419,382	349,357
Insurance	85,147	-	-	85,147	32,694	-	117,841	38,753
Interest expense	-	-	-	-	4,492	-	4,492	-
Meals and entertainment	15,032	-	208	15,240	8,372	7,837	31,449	-
Office expenses	339,135	8,633	527	348,295	99,578	31,538	479,411	252,666
Project expenses	3,911,728	9,324	223,228	4,144,280	-	-	4,144,280	2,654,405
Accounting	-	-	-	-	245,777	-	245,777	98,220
Fundraising consultants	-	-	-	-	-	322,865	322,865	296,539
Information technology	4,208	-	-	4,208	33,560	-	37,768	-
Other professional fees	101,276	314,873	60,463	476,612	113,723	108,828	699,163	417,958
Rent	63,087	-	-	63,087	42,057	-	105,144	82,802
Travel	184,924	6,912	2,539	194,375	19,019	46,386	259,780	125,512
Website and technology	<u>14,126</u>	<u>2,063</u>	<u>1,004</u>	<u>17,193</u>	<u>70,487</u>	<u>47,040</u>	<u>134,720</u>	<u>67,937</u>
	<u>\$ 8,759,502</u>	<u>\$ 508,436</u>	<u>\$ 348,467</u>	<u>\$ 9,616,405</u>	<u>\$ 1,094,093</u>	<u>\$ 1,388,198</u>	<u>\$ 12,098,696</u>	<u>\$ 7,390,271</u>

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

The DigDeep Right to Water Project  
Statement of Cash Flows  
For the Year Ended December 31, 2022  
(With Comparative Totals for 2021)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Change in net assets	\$ 14,581,650	\$ 5,015,024
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	419,382	349,357
(Gain) loss on disposal of property and equipment	(14,434)	(62,370)
Realized and unrealized loss	171,068	3,114
Donated securities not immediately sold	-	(148,082)
Reduction in carrying amount of right-of-use lease assets	91,456	-
Changes in operating assets and liabilities		
Contributions and grants receivable	(13,053,566)	(90,000)
Prepaid expenses and other assets	(77,693)	(128,588)
Deposits	(6,500)	-
Accounts payable and accrued expenses	306,888	(47,960)
Operating lease liabilities	(88,193)	-
Net cash provided by operating activities	<u>2,330,058</u>	<u>4,890,495</u>
Cash flows from investing activities		
Purchases of property and equipment	(912,766)	(660,295)
Proceeds from sale of property and equipment	21,575	-
Purchases of investments	(288,214)	(189,684)
Proceeds from sale of investments	6,406	-
Net cash used in investing activities	<u>(1,172,999)</u>	<u>(849,979)</u>
Cash flows from financing activities		
Payment of Paycheck Protection Program	-	(132,400)
Net cash provided by (used in) financing activities	<u>-</u>	<u>(132,400)</u>
Net increase in cash	1,157,059	3,908,116
Cash, beginning of year	<u>12,714,591</u>	<u>8,806,475</u>
Cash, end of year	<u>\$ 13,871,650</u>	<u>\$ 12,714,591</u>

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

The DigDeep Right to Water Project  
Notes to Financial Statements  
December 31, 2022  
(With Comparative Totals for 2021)

1. NATURE OF OPERATIONS

The DigDeep Right to Water Project (the "Organization") is a nonprofit corporation organized under the general nonprofit corporation laws of the state of California.

DigDeep was founded in Los Angeles in 2012 and is the leading organization improving community-based water and sanitation (WASH) outcomes in the United States. Today, the organization runs several nationally-recognized water access programs that serve communities in New Mexico, Arizona, Utah, West Virginia, and Texas. DigDeep also develops research and education projects, and maintains an extensive network of academic, government, and water industry partners focused on solving America's water crisis.

The operations of the Organization are funded primarily by contributions from individuals, foundations and businesses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial statement presentation

The Organization prepares its financial statements on an accrual basis and in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions. Accordingly, net assets are reported as follows:

- *Net assets without donor restrictions* - Net assets not subject to donor-imposed stipulations and net assets designated by the board of directors for specific purposes.
- *Net assets with donor restrictions* - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting principle

In February 2016, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") No. 2016-02, *Leases*, ASC Topic 842 ("ASC 842"). ASC 842 is the comprehensive lease standard that supersedes the previous authoritative lease accounting guidance contained in ASC 840. ASC 842 requires a lessee to recognize assets and liabilities related to long-term leases that were classified in its statement of financial position as operating leases under previous guidance. A leased asset, referred to as a right-of-use asset, is to be recognized related to the right to use the underlying asset and a lease related liability is to be recognized related to the lease payment obligations over the term of the lease, and includes options to extend that management reasonably expects to exercise. ASC 842 also requires expanded disclosures surrounding leases.

The Organization adopted ASC 842, with an initial application date of January 1, 2022, by applying the modified retrospective transition approach and using the additional and optional transition method provided by ASU No. 2018-11, *Leases (Topic 842): Targeted Improvements*. The Organization did not restate prior periods as presented under ASC 840 and, instead, evaluated whether a cumulative impact adjustment to net assets as of January 1, 2022, was necessary for the cumulative impact of adoption of ASC 842. Management determined no cumulative effect adjustment as of January 1, 2022, was necessary.

As a part of the allowable transition method, the Organization elected to apply the following practical expedients:

- Election not to reassess whether any expired or existing contracts are, or contain, leases.
- Election not to reassess the lease classification for any expired or existing leases.
- Election not to reassess initial direct costs on any existing leases.
- Election to use the risk-free interest rate as the discount rate.
- Election whereby the lease and nonlease components will not be separated for leases of facilities and equipment.
- Election not to record right-of-use assets and corresponding lease liabilities for short-term leases with a lease term of 12 months or less, but greater than one month. Leases of one month or less are not included in short-term lease costs.

The Organization evaluates whether new contracts are a lease at the contract inception or for a modified contract at the modification date. In calculating the present value of the right-of-use assets and liabilities, the Organization includes lease renewals and or termination options. If it is reasonably certain that a renewal or termination option will be exercised, the exercise of the options is considered in calculating the term of the lease.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash equivalents generally consist of short-term, highly liquid investments with an original maturity of three months or less from the date of purchase as well as temporary cash held for reinvestment into long-term investment holdings.

Investments

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment income (loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Fair value measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date. The Organization determines the fair values of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs and maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. This hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels:

- *Level 1* - Quoted market prices are available in active markets for identical assets or liabilities as of the reporting date.
- *Level 2* - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.
- *Level 3* - Pricing inputs are unobservable and shall be used to measure fair value to the extent that observable inputs are not available. The inputs into the determination of fair value are based upon the best information available and require significant management judgment or estimation.

Property and equipment

Equipment that is purchased is stated at cost; donated assets are stated at fair value at the date of acquisition. The Organization capitalizes equipment purchases of \$10,000 or more.

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Notes to Financial Statements  
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment (continued)

Depreciation and amortization of property and equipment is computed using the straight-line method over the following estimated useful lives:

Buildings	31 - 40 years
Furniture and fixtures	3-10 years

Revenue recognition

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expirations of donor-imposed restrictions on net assets, that is, the donor-imposed stipulated purpose has been accomplished and/or the stipulated time period has elapsed, are reported as net assets released from restrictions.

Contributions and grants revenue and receivables

Contributions and grants, including unconditional promises to give, are recognized as revenue in the period received and reported in their appropriate net asset group, subject to the existence or absence of donor-imposed stipulations. Contributions of assets other than cash are recorded at their estimated fair value. Contributions and grants to be received after one year are discounted at a discount rate consistent with general principles for present value measurement. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on contributions. There is no discount recorded for the year ended December 31, 2022 as the discount calculated was immaterial to the financial statements.

Conditional promises, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. At December 31, 2022, the Organization did not have any outstanding conditional promises.

Functional allocation of expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses requiring allocation are allocated on the basis of estimates of time and effort, and employee headcount.

The DigDeep Right to Water Project  
Notes to Financial Statements  
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and disclosures made in the accompanying notes to the financial statements. While management believes these estimates are adequate, actual results could differ from those estimates.

Concentration of credit risk

Financial instruments that potentially subject the Organization to concentration of credit risk are cash, investments and contributions and grants receivable. The Organization manages deposit concentration risk by placing cash, money market accounts, and bank deposits with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with contributions and grants receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from board members, governmental agencies, and foundations. Investments are made by diversified investment managers whose performance is monitored by the investment committee of the board of directors.

Income taxes

The Organization is a nonprofit, tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and 23701(d) of the California Revenue and Taxation Code. The Organization does not engage in any significant unrelated trades or businesses. Accordingly, no provision for income taxes is required.

U.S. GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes all of the positions taken by the Organization are more likely than not to be sustained upon examination.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements. The reclassifications had no impact on previously reported net assets and change in net assets.

The DigDeep Right to Water Project  
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Summarized financial information

The financial statements include certain prior period summarized comparative information in total, but not by net asset class. Such summarized information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Subsequent events

Subsequent events have been evaluated through August 10, 2023, the date that these financial statements were available to be issued. There were no subsequent events that would require adjustments or disclosures in these financial statements.

3. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position comprise the following:

	2022	2021
Cash	\$ 13,871,650	\$ 12,714,591
Investments	1,789,619	1,678,879
Contributions and grants receivable	13,143,566	90,000
	28,804,835	14,483,470
Net assets with donor restrictions	(22,105,421)	(10,739,651)
	\$ 6,699,414	\$ 3,743,819

The Organization regularly monitors cash and liquidity to meet its operating needs. The Organization invests a portion of its cash not required for current operations in mutual funds.

4. CONTRIBUTIONS AND GRANTS RECEIVABLE

Contributions and grants receivable consisted of the following:

	2022	2021
Less than one year	\$ 5,875,566	\$ 90,000
One to five years	7,268,000	-
	\$ 13,143,566	\$ 90,000

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4. CONTRIBUTIONS AND GRANTS RECEIVABLE (continued)

Future collections of contributions and grants receivable are expected as follows:

Year ending December 31,

2023		\$ 5,875,566
2024		<u>7,268,000</u>
		<u>\$ 13,143,566</u>

5. INVESTMENTS AND FAIR VALUE MEASUREMENTS

The following table sets forth by level, within the fair value hierarchy, Organization's assets at fair value as of December 31, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Mutual funds	\$ 1,374,488	\$ -	\$ -	\$ 1,374,488
Fixed income	-	288,051	-	288,051
Cash equivalents	<u>127,080</u>	<u>-</u>	<u>-</u>	<u>127,080</u>
	<u>\$ 1,501,568</u>	<u>\$ 288,051</u>	<u>\$ -</u>	<u>\$ 1,789,619</u>

The following table sets forth by level, within the fair value hierarchy, Organization's assets at fair value as of December 31, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Mutual funds	\$ 1,513,109	\$ -	\$ -	\$ 1,513,109
Cash equivalents	<u>165,770</u>	<u>-</u>	<u>-</u>	<u>165,770</u>
	<u>\$ 1,678,879</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,678,879</u>

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6. PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of the following:

	2022	2021
Land	\$ 213,526	\$ 213,526
Buildings	495,861	382,779
Furniture and fixtures	6,023	6,023
Automobiles	2,974,772	2,235,728
Construction in progress	42,788	-
	3,732,970	2,838,056
Accumulated depreciation	(932,301)	(523,630)
	\$ 2,800,669	\$ 2,314,426

Depreciation expense for the years ended December 31, 2022 and 2021 was \$419,382 and \$349,357, respectively.

7. LEASES

In January 2022, the Organization adopted the new lease accounting guidance under ASC 842. The most significant change requires lessees to record the present value of the operating lease payments as right-of-use assets and lease liabilities on the accompanying statement of financial position. The new guidance continues to require lessees to classify leases between operating and financing leases (formerly "capital leases").

The Organization is committed under two noncancelable operating leases for its office spaces that were previously recognized under the prior standard, ASC 840, as operating leases at December 31, 2021. Upon adoption of ASC 842, these leases have been recognized as right-of-use lease assets on the accompanying statement of financial position. The leases carry separate terms and expire at various dates through 2024. The adoption of ASC 842 resulted in the initial recognition of right-of-use assets and liabilities - operating totaling \$239,651.

At December 31, 2022, right-of-use liabilities were \$151,458. Lease operating costs during the year ended December 31, 2022 were \$92,685.

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7. LEASES (continued)

The scheduled minimum lease payments under the lease terms are as follows:

<u>Year ending December 31,</u>		
2023	\$	94,834
2024		<u>59,563</u>
		154,397
Less: inputted interest		<u>(2,939)</u>
	\$	<u><u>151,458</u></u>

The weighted-average lease terms and discount rates are the following:

Weighted-average remaining lease term	1.67 years
Weighted-average discount rate	2.25%

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes:

	<u>2022</u>	<u>2021</u>
Water project	\$ 9,444,241	\$ 10,648,723
Education	-	75,983
Research	33,180	14,945
Time restriction on contributions and grants receivable	<u>12,628,000</u>	<u>-</u>
	<u><u>\$ 22,105,421</u></u>	<u><u>\$ 10,739,651</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows:

	<u>2022</u>	<u>2021</u>
Water project	\$ 9,566,448	\$ 6,410,012
Education	75,983	35,816
Research	<u>11,852</u>	<u>243,731</u>
	<u><u>\$ 9,654,283</u></u>	<u><u>\$ 6,689,559</u></u>

The DigDeep Right to Water Project  
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(With Comparative Totals for 2021)

9. EMPLOYEE BENEFIT PLAN

The Organization sponsors a defined contribution retirement plan for eligible employees. Eligibility begins after completion of one month of service and all contributions are immediately vested. Under the plan, the Organization contributes up to 50% on the first 8% of total compensation for qualified employees. For the years ended December 31, 2022 and 2021, the Organization's contributions to the plan totaled \$56,836 and \$23,043, respectively.