

Why Invest in Compassionate Relief with Lifewater Canada?

Lifewater Canada is a charity incorporated under the Canada Not-for-Profit Corporations Act. We depend on the support of donors like you. We want you to feel confident in giving us your financial support. Once we have earned your trust, we can work together to make sustainable change take place.

We invite you to investigate our performance to assure yourself that we are worthy of your support. To help you confidently make an informed choice, we have summarized key charity information below:

Vision: Our vision is a world where children do not get sick and die because they have no safe drinking water. Our vision is a world where girls have the same educational opportunities as boys. A world where girls do not have to walk for hours a day carrying heavy buckets of water. A world where girls no longer have to stay home from school when they start menstruating because there is no place for them to toilet with dignity. Our vision is a world where the place you are born does not determine whether you live or die!

Mission: Lifewater Canada trains and equips people in Developing Countries to provide safe drinking water and improve sanitation. Lifewater arranges project sponsorships which saves children's lives and increases educational opportunities for girls.

Goals: Our goal is to provide safe water for everyone. We want to ensure that projects are sustainable by keeping projects affordable rather than free, encouraging volunteerism, and using donations efficiently. Effective sustainable development requires having a long-term local presence. This includes the training and equipping of local teams and the mobilization of communities to ensure on-going project maintenance.

Progress Towards Goals: *Lifewater Canada has a proven record, actively working overseas since 1995.*

- ✓ Over 500,000 people have gained access to safe drinking water!
- ✓ We are not just a fundraising organization - we drill wells. There are over 1,600 new and rebuilt community wells in our four project countries.
- ✓ In addition, thousands of handpump repairs have been completed and 100 community washrooms built.
- ✓ We work by building the capacity of local people. Trained teams are registered as non-profits, and are governed, managed & staffed by local people.
- ✓ Dozens of volunteers have gone overseas to help train workers and effectively equip teams with trucks, drill rigs and supplies in Liberia, Haiti, and Kenya.
- ✓ We recognize that implementing partners require suitable facilities where they can have office space, secure parking and storage for drilling supplies, mechanic shop to repair equipment etc. Work continues on operation compounds but they are already functioning in these three countries.
- ✓ We have developed a 7-phase approach to mobilize and train communities to ensure long-term project maintenance.

Financial Efficiency: *Every \$1 provides a person with safe drinking water for a year!*

- ✓ **Program Expenses:** In fiscal 2017, 92.7% of our total expenses were spent on the programs we exist to deliver. This includes drilling wells, building water catchment tanks, rehabilitating wells & repairing handpumps, building washrooms and providing hygiene workshops, and building the capacity of local people through training and infrastructure development.
- ✓ **Administrative Expenses:** In fiscal 2017, Administrative expenses were just 2.6% of total expenditures. This is possible because Lifewater is powered by volunteers working from home. Even the CEO is not paid. A part-time Administrator has been hired to ensure continuity of basic operations, but even this Lady is a passionate volunteer, donating a lot of her time and energy!
- ✓ **Fundraising Expenses:** Last fiscal, just 3.4% of Lifewater Canada's expenses were for fundraising. This is because Lifewater relies on grass-roots local fundraising initiatives and does not pay professional fundraisers who take a significant percentage of what they raise. We benefit from media interviews rather than paid ads.
- ✓ **Fundraising Efficiency:** Lifewater Canada is among the best in the industry, raising over \$28 for every dollar it spends on fundraising!

Financial Capacity: *Lifewater Canada's work continues to grow!*

- ✓ **Program Expenses Growth:** Over the past 5 years, Lifewater Canada's expenses have grown by 3.5 percent (3-year rolling average).
- ✓ **Working Capital Ratio (Years):** Lifewater Canada has a working capital ratio of 0.3. This means that Lifewater can currently sustain its level of spending for just over 3 months using only its net available assets. The long-term goal is to build a reserve fund equal to one year's operating budget. This is so that firm financial commitments can be made to overseas partners at the start of the fiscal year without the risk of having to shut-down drilling operations part-way through the year if fundraising does not meet expectations. Financial reserves also allow for careful management of designated funds and enable Lifewater.ca to assist overseas teams with significant capital expenditures in a timely manner.
- ✓ **Liabilities to Assets Ratio:** Donors should be mindful of an organization's long-term sustainability. Lifewater Canada is totally solvent, having a liability to asset ratio of 0%

Accountability & Transparency Practices: Lifewater Canada is accountable to its supporters and ensures that they can easily find all the information needed to remain assured that we are responsible, honest and well-managed. We follow a framework for Fiscal Responsibility & Accountability that is outlined on our web site. We demonstrate our commitment to transparency by updating our web site and making available critical data about our organization:

- ✓ **On-Line Project Listing:** When the projects are completed, Lifewater Canada documents all completed projects by providing GPS coordinates, photos, notes from the beneficiaries, and technical projects details. Donations are linked directly to specific projects posted on-line, with sponsors being listed by name or anonymously as per their direction!
- ✓ **Training Materials:** Training materials are provided on-line free for download. Our focus is helping as many people as possible and believe that true empowerment comes from sharing knowledge as much as possible.
- ✓ **Board of Director Information** *(see below).*
- ✓ **Audited Financials** *(see below).*

Board of Directors

- ✓ Lifewater Canada has an independent governing body of more than 5 people to allow for full deliberation and decision making. The current board and key staff are listed on our web site.
- ✓ CEO (President) is Jim Gehrels, P.Ge. His annual compensation is \$0 because he lives his belief that every dollar possible should be directed to helping children get the safe water they need to stay healthy
- ✓ None of the Board members are financially compensated.
- ✓ In Fiscal 2017, Board donations totaled \$32,376.
- ✓ Minutes are kept for Board meetings to ensure that decisions are documented for future reference.
- ✓ Financials are reviewed by the Board in advance of regulatory filing.

Audited Financials

- ✓ Audited financials are prepared by BDO Canada LLP and posted on our web site.
- ✓ There has been no unauthorized conversion or use of the organization's assets.
- ✓ There are no loans to related parties such as key officers, staff, or Board members.
- ✓ We follow a framework for Fiscal Responsibility & Accountability.

Governing Policies. Lifewater Canada has the following Policies:

- ✓ Donor privacy policy indicating that Lifewater will not share or sell a donor's information with anyone else, nor send donor mailings on behalf of other organizations. It also indicates how donors can ask to be listed as “Anonymous” on the sponsorship listings. This policy is published on the Lifewater website.
- ✓ Conflict of interest policy to guide deliberations when making decisions that may benefit the private interest of an officer or director of the organization.
- ✓ Whistleblower policy to handle employee complaints or concerns from overseas partners regarding financial mismanagement.
- ✓ Records retention and destruction policy to foster good record keeping procedures. It guides the handling and destruction of documents in order to promote data integrity and security.
- ✓ CEO Compensation Policy: The policy outlines an objective and independent review process to determine the CEO's compensation. This includes benchmarking against comparable organizations.

For more information, contact Lifewater Canada by visiting www.lifewater.ca, emailing info@lifewater.ca, or phoning 807-622-4848

With thanks,

Jim Gehrels, P.Ge
President & Founder
Lifewater Canada