

the well

LIVING WATER INTERNATIONAL'S
2010 ANNUAL REPORT

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LIVING WATER

Growth and impact

CELEBRATING 20 YEARS • WATERSHED
LEADERSHIP • FINANCIALS





Thank you for your prayers, partnership and financial support this past year!

In 2010, Living Water International celebrated our 20th year of service, completed our 10,000th water project, and developed a plan to double our ministry impact over the next five years. In these pages you will find stories from Living Water's recent past that are shaping our future.

Stories of national tragedy in Haiti and challenges of minority Christians in India help us understand ourselves as one Body in Christ. Together, we are planting a church in Africa and running a marathon in St. Louis. We are visionary pastors who lend our voices to the thirsty. We are children who convince our parents at Christmas to bless someone else's children with safe water. We are a lone athlete running across America to raise awareness of the thirsty, and advocacy groups that entrust our implementers to access water, teach hygiene, and share the gospel. The trials and triumphs of thirsty people everywhere are our story—we are Living Water.

I hope you'll enjoy these stories of our work around the world and the people who make it possible. I delight that we can celebrate 1,387 projects completed in 2010, bringing us to more than 10,000 in the past 20 years.

I encourage you to look eyes with someone in these pages. Imagine him or her as your brother or sister in Christ with dreams, aspirations and challenges—part of your Body. Share the trials of your brothers and sisters, along with their dreams and joys in these pages.

We are so grateful to you—thank you!

A handwritten signature in black ink, reading "Michael J. Mantel". The signature is fluid and cursive, with a large, stylized "M" and "J".

Michael J. Mantel, PhD
President & CEO

ABE
CLARK USED



PAIRS OF SHOES
TO RUN

2
8
6
0
MILES

ACROSS



TO RAISE \$ FOR
CLEAN WATER



\$1,981,120.14

RAISED ONLINE IN 2010 ALONE



TEAM LIVING WATER
HOUSTON & ST. LOUIS MARATHONS

WE TRAINED

69

HEALTH & HYGIENE
INSTRUCTORS

78

WELL DRILLERS

62

PUMP REPAIRERS

IN THE U.S.



HONDURAS



MORE THAN

1049

VOLUNTEERS SENT TO
SEE & SERVE



NICARAGUA



GUATEMALA



HAITI



EL SALVADOR

2010 at a glance



STUDENTS ATTENDING
PASSION 2010
RAISED \$160,000
FOR PROJECTS IN
**GUATEMALA
& NICARAGUA**

1387

WATER PROJECTS
COMPLETED



IN 24 COUNTRIES



70%

OF THE WORLD'S
POPULATION ARE

**ORAL
LEARNERS**



\$367,058

RAISED CHRISTMAS 2010
THROUGH LIVING WATER
GIFT CARDS

BEING SOCIAL PEOPLE LIKE US!
AND THEY FOLLOW US, TOO!



3,448

FOLLOWERS ON TWITTER



5,056

FACEBOOK FANS



20,704

EMAIL SUBSCRIBERS

THAT'S WHY IN 2010
WE TRAINED

2369

DISCIPLE
MAKERS IN

23

ORALITY
TRAINING
WORKSHOPS

IN INDIA, AFRICA,
LATIN AMERICA, AND
THE UNITED STATES



WORK

Featuring stories of the thirsty

INDIA • HAITI • PERU • GOOD NEWS • UGANDA • SHORT-TERM TRIPS
SIERRA LEONE • BURKINA FASO • GUATEMALA

our work in 2010





733
NEW WATER
POINTS

*new boreholes, hand-dug wells,
rainwater harvesting*



654
REHABS

*rehabilitations of wells or pumps
not installed by Living Water*



222
MAINTENANCE
REPAIRS

*repairs to existing
Living Water projects*

CUMULATIVE PROJECTS COMPLETED

Figures are cumulative totals

2010



10,008

2009



8,621

2008



6,856

2007



4,805

2006



3,692



INDIA *overcoming persecution*

The directors of Living Water International's three regional operations in India are some of the most intelligent and interesting people you could ever meet. All are Indian, and each is a multi-lingual pastor, engineer, church networker, and educator. Two run orphanages, and they all work to provide safe drinking water as a way to proclaim God's love.

It's a good thing we have such high caliber staff in India. In terms of culture, language, and religion, India is the most complex place Living Water works. It's also a world that has a lot in common with that of the first Christians. Like in New Testament times, Christians in India are part of a growing minority. Government, law, and public opinion can swing against them at times and can be indifferent to them at others. In parts of India, who drinks from whose well holds as much importance today as it did the day Jesus asked the Samaritan woman for a drink.

Religious tensions have been on the rise lately. Our staff asked their names be withheld from this report due to security concerns, but they are happy to share about their work:

THE MIRACLE WELL

One stand-out story happened in Ratimahudi Village in Rajasthan. People in Ratimahudi were often ill because they depended on surface water to drink. Each year, families had to separate, re-locating to a state with water for three months, leaving only one woman behind to care for the house.

Imagine the joy in Ratimahudi when a giant drill rig pulled into the village! But imagine their despair when after 300 feet of drilling, the hole was dry. Imagine their hope as small house-churches kept on praying for water. Then, imagine their surprise when weeks after the drill rig was gone, they checked the hole—and it was filled with water!

Living Water returned to Ratimahudi, developed the well, and installed a pump. The project's sponsors, members of a church in Houston, had been praying for their Indian brothers and sisters all along. Many in Ratimahudi saw the

hand of God in these unusual circumstances and called it "the miracle well."

Perhaps the real miracle was the harmony in how God touched hearts in Houston, moved our Indian missionaries to go back, and heard the prayers of the faithful in Ratimahudi—which for all we know made the whole project possible.

NORTH INDIA

Based in Varanasi, Living Water North India works within great religious diversity. Often called the religious capital of India, Varanasi is a holy city for Hindus, Buddhists, and Jains, and home to sizable Muslim and Sikh populations. In 2010 police were bribed to harass our North India director. It is the Living Water operation that experiences the most resistance to the growing Christian movement, but possibly the one where loving others across religious lines has most impact.

CENTRAL INDIA

Based in Hyderabad, this is where Living Water India started 14 years ago. In 2010 Living Water India made 200 project maintenance visits in Central India alone, visiting some wells drilled a decade ago. "There are places where we drilled so that an evangelist could have access to community," said Living Water's Central India director. "Now we see churches built because of these wells and hand pumps. We see communities that accepted the evangelist after he explained that water is brought to them to demonstrate the love of Jesus."

SOUTH INDIA

Based in Kottayam in the southern state of Kerala, this is Living Water's newest program in India. Eastern Christian tradition has it that Thomas the Apostle established the first Christian church in Kerala in 52 A.D. when he arrived to spread the gospel among Jewish settlements. There are more Christians here than anywhere in India—19% of Kerala is Christian according to the Indian census. Many Indian Christian missionaries are deployed from here, including the father of Living Water International's North India director.

HAITI *the long road to recovery*

On Tuesday, January 12, 2010, at 4:52 pm, people in Port au Prince were wondering about things like what was for dinner and what the kids had learned at school that day.

Then, by 4:53 p.m. more than a quarter-million people were dead or dying. A million were homeless. Cholera outbreaks loomed on the horizon and the world water crisis wasn't just in Africa anymore—it was a 90-minute flight from Miami. In reality, it always had been. Only now, an earthquake had shaken scales from the world's eyes and we could see it.

Living Water International started working in Haiti in July 2004. Our first projects were in Léogâne, where the epicenter of the earthquake would be six years later. The poorest country in the Western Hemisphere, Haiti is littered with broken-down hand-pumps. Most Haitian communities are too poor to support a municipal water system, so the government and non-profits install hand pumps, often without a plan to maintain them.

Living Water aims to serve the water sector in this regard. For every 100 new wells we drilled around the world in 2010, we rehabilitated 89 that someone else had constructed but had fallen into disrepair. Haiti is especially disastrous when it comes to broken down wells. In fact, from our first project in Haiti through the end of 2010, all of Living Water's work there has been well rehabilitation. The earthquake just turned up the volume.

Living Water summed up our response to the Haiti quake with the slogan, "Help Haitians Heal Haitians." Disasters disempower. It sends a powerful message for Haitians to see fellow Haitians take on their nation's biggest problems in a time of disaster. One of the people Haitians saw that message through was Gelin Joseph.

"I have always wanted to repair water wells, even before I knew about Living Water," Gelin said. "I see people thirsty and it just breaks my heart. After the earthquake it's worse than ever, but now I get to help."

Gelin leads our Cap-Haïtien team, and when American teams come to Haiti, he's their leader too. If the water crisis in any country is ever to be solved, it won't be through our work, but through our capacity to empower.

The task held enormous challenges, though. Living Water Haiti implementer Albert Point du Jour found himself digging through a pile of rubble that used to be his home, looking for tools so he could go out and repair wells. Our teams faced port closures. Disaster response in Port-au-Prince presented logistical challenges as it became a 10-hour drive from our Cap-Haïtien base after the quake. What do you do when the bank you used to withdraw project money from is a pile of bricks in the street?

Other challenges proved to be blessings in disguise. When a shipment of materials was improperly specced by a supplier, 54 post-earthquake Living Water projects were down within weeks of implementation. There was nothing we could have done to prevent the problem, but the health of thousands depended on how quickly we fixed it.

Because Living Water is understood as part of the Church, Haitian pastors served as a network of oversight for our projects. Our Haitian team quickly began receiving phone calls from fellow pastors where water projects were failing, and we were able to quickly identify the supply chain issue and resolve the problem at all 54 project sites.

Living Water International is a partner of the local church everywhere we serve. We are a part of a network that is billions-strong and our purpose is to love God and love our neighbor. Nobody has enough money to buy a sustainability infrastructure like that. Concrete will always crumble and pipe will always corrode, but that network—the living Body of Christ—will endure to the very end. Living Water International's greatest strength is that we are a part of that body.





PERU *something good from nazaret*

It was a 15-hour journey up the Pastaza River and the Ungurahui tributary to reach two small villages: Mamboyacu and Nuevo Nazaret (New Nazareth). A village leader in Nuevo Nazaret became a Christian and had harvested materials from the jungle to build a church the same week we drilled a well.

As they stepped off the boat, Living Water Peru's crew could smell that their hygiene lesson here would be unique. What tipped them off? The smell of rotting human corpses. The Candoshi people of this region do not bury their dead—they lay them on scaffolding to decay.

Living Water Peru's crew worked side-by-side with villagers, living in their homes for the duration of their stay. It wasn't

long before at least a few people understood how their ancient practice of leaving corpses in the open could spread disease, and that drinking from the same lagoon where they washed clothes and bathed could do the same.

Little by little, people have begun to see Living Water's well and the village's church as symbols of something new. Likewise, the Living Water Peru crew saw something new in two enemies who found reconciliation during their stay, and in two teenagers who dedicated their lives to Christ. These little signs mean a lot to people like us, people who know that good things can come from Nazareth.



GOOD NEWS

sharing faith through stories and questions

Most of the early Church growth we read about in the Bible happened before the gospel accounts were put to paper. Word of what God was doing in the world spread through the stories people told. In those days, most people did not read. The same is so among most of the people Living Water International serves. To help people in non-literate cultures spread God's word, Living Water conducts Orality Training Workshops throughout the world. Working in collaboration with the International Orality Network and the Lausanne Movement, workshops orient church-workers in sharing faith through stories and questions.

With properly trained disciple-makers in place, church growth is not hindered by the low literacy rates in the countries where we serve. In fact, just the opposite may be the case. Oral cultures are intensely relational out of necessity. When a village elder in a non-literate society wants to know about Jesus, he doesn't ask for a Bible or a church-planting manual. He invites someone into his village to share stories about Jesus and get involved in people's lives. The process is extremely personal. To help ensure it's also effective, Living Water trained 2,369 disciple-makers in 23 Orality Training Workshops in India, Africa, Latin America, and the United States in 2010. Working with people from oral cultures helps form disciples abroad, but it also reminds us how deeply personal the gospel is, whether in the African savanna or the American suburb.



WORK



UGANDA *local lessons, global impact*

Uganda's First Lady, Janet Museveni, first approached Living Water International in 2009. She was looking for solutions for water-scarce schools in Uganda's southwestern Ruhaama County.

"I have been to the schools in Ruhaama," Mrs. Museveni wrote in a letter, "I have seen the empty seats in the classrooms, the children who should be in school walking to collect water that will make them ill."

Living Water visited the region and found children with hopes and dreams, and teachers with concerns about declining school attendance. Students were increasingly being forced to stay home by diseases like cholera, typhoid, dysentery, and hookworm. Many had to walk and ride bicycles long distances to collect the water that gave them those diseases.

So Uganda's Department of Water and the Environment, Mrs. Museveni, and Living Water International, along with great support from Spilling Hope, Rees-Jones, and Hands of Hope, identified 50 Ruhaama County schools in desperate need of water. Work began soon after, and 2010 was the first full year of Living Water's work with the schools. It has already yielded significant results—in Ruhaama County, and around the world.

Living Water Uganda designed an action plan to both meet the schools' water needs as well as develop a sense of local ownership to help ensure long-term sustainability. Projects begin with site visits long before a drill rig is on the scene. Eventually schools enter into a contractual agreement with Living Water, committing to mobilize teachers and local church leaders in well maintenance and hygiene education efforts. Schools take responsibility for drill site preparation, the development of a monitoring plan, and water committees in charge of maintenance. For them, these are not Living Water International's projects, but Mitooma Primary School's project, or Rwembirzi Primary School's project.

In this way deep relationships are formed that make Living Water's Christian witness more effective, ensure lasting

water systems, create less dependency, and better teach the importance of water and sanitation. Schools have even incorporated health and hygiene into their regular curriculum—that measure alone can double the number of children's lives saved by clean water.

As remarkable as the projects themselves is the fact that many of them were made possible by children. When Living Water shared Mrs. Museveni's concern for schools in Uganda, schoolchildren in the United States snapped into action, raising funds and sponsoring wells.

Before long, Living Water received a letter on Republic of Uganda letterhead. "I traveled to America and saw something amazing happening in your neighborhoods and schools," Uganda's First Lady wrote. "It gave me hope to see school children raising awareness and funds for their Ugandan friends. It was a beautiful thing to see children get excited about changing the world... soon things will be different in Ruhaama."

One year later, things are different in Ruhaama, all because school children, churches, workers, and givers on both sides of the globe came together to save lives and share God's love.

"Communities will be changed forever," wrote Mrs. Museveni, "because these wells, drilled in partnership with local churches, are a demonstration of 'living water'—the gospel of Jesus Christ."

That change is reaching far beyond Ruhaama County. In 2010 Living Water Uganda hosted Living Water International's Africa Summit, part of a year-long strategic planning process. People gathered from across Africa and around the world to share stories of Living Water at its best. The successes at these Ugandan schools are now informing Living Water's strategy in countries around the world.

Good news for schools in Ruhaama County became good news for schoolchildren around the world, and even more importantly, a demonstration of the "living water."



SHORT-TERM TRIPS

encounters with christ

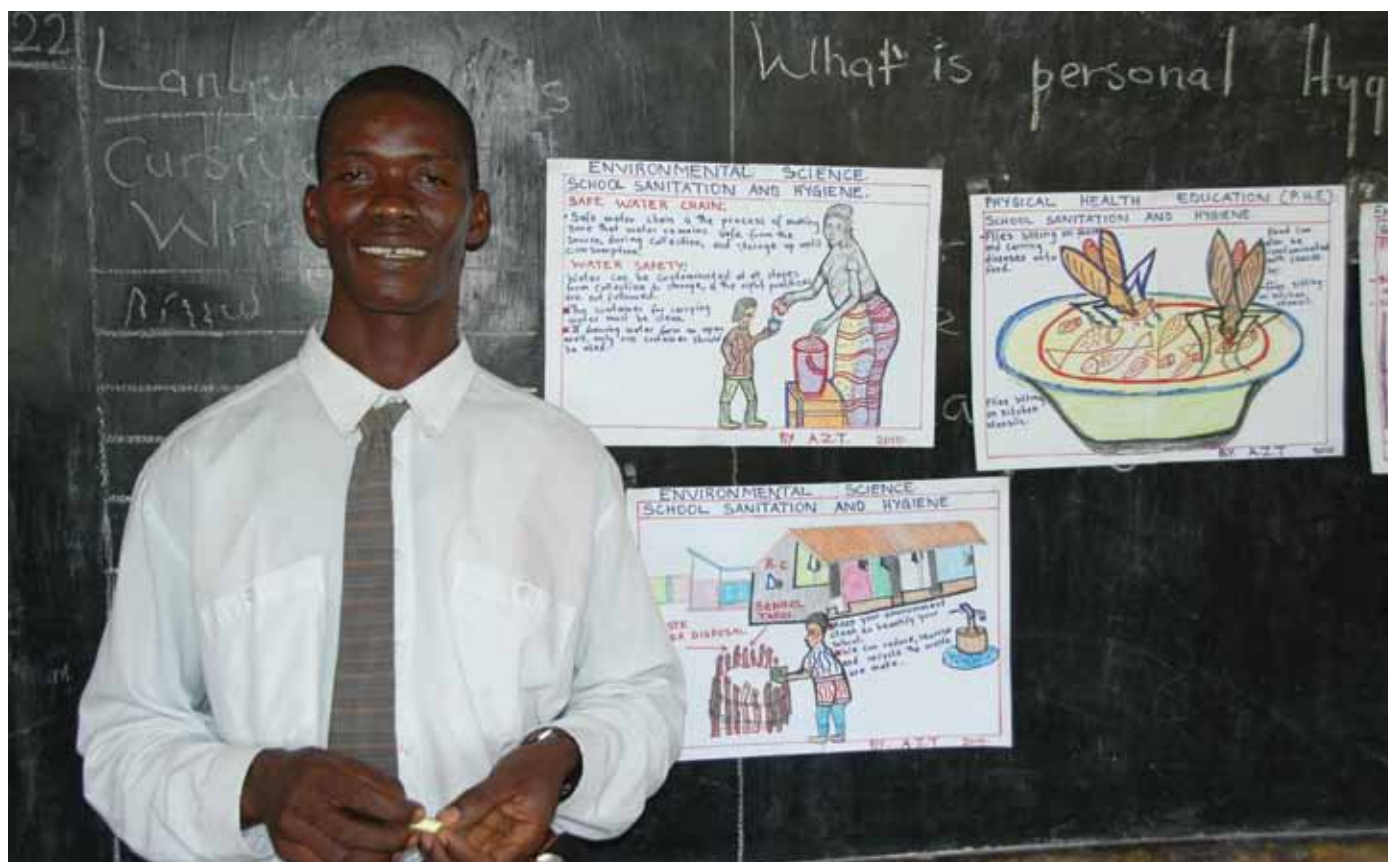
We can't really celebrate Living Water International's short-term trips until we know that it's clear why we host them in the first place. Living Water doesn't host short-term drilling trips because we need volunteer labor for drilling wells or introducing Jesus to new places. The countries we serve are filled with hard workers, and God is already at work everywhere, and always has been. It is our honor and privilege to encounter him and join him, though, especially among the thirsty.

A short-term trip with Living Water is an opportunity to serve our local teams and invest in them—in Haitians, Guatemalans, Salvadorans, Nicaraguans, and Hondurans who are the hands and feet of Jesus. It is also an opportunity to encounter Christ in the people we serve, to see him thirsty and give him a drink.

The gospel is good news to be shared, and sharing always works two ways. We are enriched by an encounter with Christ in those we serve. Doing so is the best way for others to encounter Christ also, precisely because he's already there.

When we recognize what's going on—that we're actually encountering the living Christ in the people we serve—then we can truly celebrate what it means to say that Living Water hosted 1,049 people on 124 short-term trips in 2010.





SIERRA LEONE *strength in diversity*

Alimamy Tarawalie is a schoolteacher in Tardi Village, Sierra Leone. He wears a tie to work and takes his job seriously. Like you, Alimamy loves God and neighbor. Unlike you, his favorite food is monkey. He says it "gives health and vitality."

There is strength in our diversity. Living Water International may have more water and sanitation expertise than Mr. Tarawalie, but he knows local languages and culture better than we do. He also already has the attention and respect of his students and his village. That's why Living Water partners with teachers like him to carry out sanitation and hygiene programs through schools.

In addition to a new well and 100 well rehabilitation projects,

Living Water Sierra Leone implemented seven full sanitation and hygiene programs at schools in 2010, featuring student-led sanitation efforts and school- and village-wide basic hygiene courses.

But here's what's really exciting about Living Water training Mr. Tarawali to train student-leaders: studies show that in the long-run their hygiene and sanitation efforts can save even more lives than the clean water they depend on.

The beautiful thing about that is that in the midst of a village's excitement about the clean water flowing from their new well, we get to say, "You will do even greater things than these, Mr. Tarawali, and so will your students."



BURKINA FASO *plant and water*

In 2010, Living Water International began a partnership with The Dagara Team, a vibrant church-planting movement in Burkina Faso. The partnership works so well precisely because the team's church-planting efforts have been so successful. In a region where Jesus was previously unknown, some 30 churches have been planted and new ones spring up with astounding regularity. African leaders now do all of the church planting, and American missionaries are free to train leaders, help churches mature, and help them meet basic needs—like safe drinking water.

Water ministry has enhanced the emerging Christian church's capacity to heal the sick and love the least of their brothers and sisters. The Bible doesn't exist in the Dagara language, yet the church is expanding at incredible rates through very personal, tangible acts of love. And when Dagara people see fellow Dagara take on the biggest life-and-death problems in their communities—like water—they naturally want to know more about the living water these disciples talk about with even greater enthusiasm.



GUATEMALA

so people may see and know

The kids were from Guatemala's highlands, so they had never seen anything like this. The crew from Living Water International's short-term trip developed their new well, injecting it with compressed air, blasting water out to clean it. Kids lined up to be pummeled by the gushing water, giggling, clean, and giddy.

"Shut it off?" Jaime Torres asked. The well was complete.

"A little longer," suggested his boss, Lew Hough. A hygiene course had just ended and Lew wanted the women to see the abundant water issuing from their new well. The air grew even thicker with laughter.

Then a single Guatemalan woman, quiet, colorful in Mayan garb, approached the well and cupped her hand, gathering water that dribbled down a length of casing. She tasted, and without ever making eye-contact with the American team present, she dropped to her knees, pulled a length of woven cloth over her head for privacy, and prayed.

"She sees," Jaime whispered to Lew, "she knows." He was referring to Isaiah 41:17-20, "The poor and needy search for water... I the LORD will answer them... so that people may see and know...the hand of the LORD has done this."



ADVOCATES

The people who make it possible

TEAM LIVING WATER • 10 DAYS • BEARING THEIR BURDEN
ADVENT CONSPIRACY • RADIO • ONE BODY



TEAM LIVING WATER *what will you do for water?*

2010 saw the birth of Team Living Water. The team's inaugural event was January's Chevron Houston Marathon and Aramco Half-Marathon. Team Living Water stood out as one of the event's most successful "Run for a Reason" charities, raising more than \$60,000 for water projects.

Just a few months later The Crossing Church in Missouri formed another Team Living Water for the GO! St. Louis Marathon and Half-Marathon. In that event 189 runners

raised more than \$46,000 for clean water projects.

It's quite a sight to see those bright yellow Team Living Water running shirts in a crowd. Now any group in the country—or even an individual—can use their next local endurance event to make a difference for people who need safe drinking water. But Team Living Water is not just for marathons. Check out some of these other creative athletes who made a difference in 2010.



THE WATER CYCLE

Memphis, Tennessee high school seniors Cort Gatliff and Christian Kauffman booked an unusual senior trip. On March, 4, 2010 they set out from Santa Monica, California on a bicycle ride to raise awareness and funds for Living Water International's work in earthquake-devastated Haiti. Their ride took them more than 2,500 miles across ten states to Savannah, Georgia.

What sustained them on such a long ride? "Our motivation to keep on riding ranged from finishing in time for Seinfeld to really feeling called to serve those in Haiti," said Christian, "I'm just glad that God chose to use us in any capacity to serve Him."

CLIMBING FOR CLEAN WATER

In January 2010 Chris Juhasz set out to climb Africa's tallest mountain. The St. Louis resident's climb was not without its challenges, though. After months of preparation, he spiked a high fever that threatened to make him turn back. "Knowing I was there for Living Water proved to be a big motivator about halfway into the climb when I fell ill," said Chris, "Knowing I was there to champion a great cause gave me strength to finish what I had come to accomplish." And after six days of climbing he reached the peak of the Tanzanian mountain to raise money for a well for people in the same country's valleys below.



SPRING SWIM

If you're not from Michigan, you might not know what we mean by "spring." At 10:00 am on March 20, 2010 a crowd gathered at Camp Geneva in Holland, Michigan. They were there to take a dip in Lake Michigan's frigid waters. What were they thinking?

Perhaps they were thinking of people whose lives are made even more uncomfortable by their lack of safe drinking water. Participants had convinced their more reasonable friends to pledge \$40,000 to Living Water International if they took a dip. With snow falling and laughter in the air, 113 swimmers jumped into 33° water and in an instant made the world a better place.

ABE CLARK'S RUN ACROSS AMERICA

The most remarkable Team Living Water run of the year goes to Abe Clark. He ran 2,960 miles from Oceanside, California to Atlantic City, New Jersey to raise almost \$90,000 for Living Water. Abe was only the 15th person ever to run across America solo and unsupported. Through freezing cold nights and long, lonely runs Abe's only constant companion for his 136 day run was a red jogging stroller he named Ruby. "I believe God's will for our lives is in direct correlation with the passions he gives us," said Abe. "I have a passion for long distance running and for helping other people."



10 DAYS

student sacrifice

It's a once-a-year challenge: make tap water your only beverage for 10 days and give money you would have otherwise spent to water projects. In 2010, 10 Days became an official way students engage with Living Water International and quickly gained momentum on college campuses.

"College students want to do good," says 10 Days co-founder, Henry Proegler, "they just don't always know how to do it." A few years ago he and a few friends at Texas A&M started asking what God would have them do. "Like a lot of college students, we felt our faith demands we act out against injustice—and we saw the water crisis as a justice issue."

The group organized a concert, reached out to other student groups, inspired churches, issued the 10-day challenge, and raised enough money to make a difference. So after Henry graduated, he turned his passion towards other college campuses to help them do the same.

"It's been powerful to see students with the same passion I had," says Proegler, "but our hope is not just that people get involved and do 10 Days once or twice. Our hope is that those 10 days might change the way we see Jesus for the rest of our lives."





BEARING THEIR BURDEN *80 pounds for 40 days*

Loving the thirsty transforms our own hearts and lives as well as those of the people we serve. One of many examples in 2010 was Greyson Goon, who carried two 40-pound jerry cans of water with him everywhere he went for 40 days.

“Doing this gave me a chance to raise awareness about the world water crisis, but also to share my faith.” For 40 days, when people asked why someone would lug 80 pounds of water everywhere he went, Greyson shared his faith in Jesus and his desire to raise funds for a well in Sierra Leone.

When asked “Why 40 days?,” Greyson smiles, “When I started, 40 days seemed like a good biblical number, but

now that I think about it, three is a good biblical number too!”

Despite aching shoulders and sore legs, Greyson’s jerry cans accompanied him to the office, to church, grocery stores, restaurants, bathrooms—everywhere!

“I can honestly say I won’t miss them,” Greyson reflected when his 40 days were over, “but at least I can put them down. Others don’t have the choice.”

ADVENT CONSPIRACY *christmas was meant to change the world*

During Advent we get to see as much transformation in our own homes and churches as we do in the communities we serve abroad. Thousands of families, churches and individuals joined the conspiracy to celebrate Christmas by worshiping more fully, spending less, giving more by giving relationally, and loving all by loving people across the world.

The body of Christ was born on Christmas morning. Who would have imagined the baby squirming in that manger would grow up to be a Church of his followers? And, as angels sang and shepherds knelt, who would have imagined we would one day celebrate that birth by shopping?

If you were around when the Advent Conspiracy was born you might remember a pastor named Chris asking a Liberian pastor named Saul what would happen if there were a water well in his village.

"It would a blessing," Pastor Saul gushed, "and more than a blessing—like heaven coming down to visit the community!"

Saul's vision of heaven joining earth helped birth the conspiracy that would become the new Christmas tradition for so many. In 2010 we went back to the first communities where Advent Conspiracy wells were drilled.

As we visited these wells and made necessary repairs, we spent time with people. Over and over we found men and women who, though born into desperate conditions, shined with life and love.

"Serving the Lord," said one village elder, "is loving one another. He who has love has God in him." It's a great reminder, especially in a culture where the Christmas season is marked by traffic jams and credit card debt.

"When I come to the pump and I sit there," shared another evangelist, "I'm able to share the word of God with my friend." Three years after her village's well had been drilled, she talked of making friends with people who came to get water. "You have done a good thing for us. We all are one in Christ. It's good when you see your brother down, you

must come and help him up." She said she prays that God would strengthen people who work with Living Water.

But maybe what reflects the spirit of the Advent Conspiracy most was why she said she prays. She said she prays Living Water could work "not just in Liberia, but other countries too," not so others could have water, but because "they need to see Him."

A gift of safe drinking water offered in Jesus' name that somehow—perhaps in ways we can't even understand—helps people see Jesus. Can you imagine a better way to celebrate the birth of Jesus?

We know an eight-year-old boy who can't. He ran a hot-chocolate stand in blistering cold weather to raise money for a well in Liberia. That evangelist in Liberia—she was sitting by a water well because on Christmas morning a little girl marched up to the altar with \$20. She had turned down a doll she wanted for Christmas to celebrate the birth of Jesus differently. God is at work—perhaps in ways we can't even understand—when a businessman who says he's not a Christian tells a church pastor with tears in his eyes, "I want to be a part of this Living Water thing and I don't even know why."

That businessman brings us back to an evangelist in Liberia, sitting by a well and praying for people who work with Living Water. "They need to see him," she says, and suddenly we're wrapping our arms around a man who sees a Jesus who wants him to bless people he doesn't know. In doing so we're wrapping our arms around a baby wiggling in a manger, who grew up to be a Church, a baby who has great birthday parties.



Learn more about the Advent Conspiracy at www.water.cc/advent or www.adventconspiracy.org





RADIO *living water hits the airwaves*

Haiti's January 2010 earthquake caused unprecedented destruction. It also evoked empathy through unprecedented media channels, with Facebook and Twitter, as well as television and radio, offering new ways to respond to our suffering friends.

KSBJ Radio in Houston, Texas, helped Living Water International hit the airwaves through its "Heart for Haiti" campaign. For 18 hours, all recorded messages and DJ chatter between songs ceased and the contemporary Christian station focused on raising funds for the work of Living Water and others helping Haiti rebuild.

But you don't have to be a radio station to help Living Water hit the airwaves. Crossgates Baptist Church in Brandon, Mississippi, had already raised enough money to sponsor 30 well rehabilitations in Haiti when Missions Pastor Scott Ross decided to help Living Water even more by arranging a partnership with local Christian radio station Star 93 FM. The campaign raised another \$25,000 in one day on the air. Scott was also interviewed by his local newspaper, NBC affiliate, and FOX-TV—each another opportunity to tell the story of the thirsty.



ONE BODY

living water and the church

When you are the Body of Christ, everything is always local, everything is always global, and you are already everywhere all the time.

For example, the impact of Rockhills Church in San Antonio was felt in their community the first year the church existed. Through Living Water International their impact was also felt in parts of their body in India and Africa—all before they even constructed a church building!

Parkview Community Church near Chicago sponsored 20 wells in 2010, and visited a number of those wells in India. Pastor Dave Davis promoted Living Water at local businesses and schools to increase impact both locally and globally.

When Bethany Community Church in Seattle initiated Spilling Hope, a 50-day challenge to learn about the world water crisis, simplify life in some way, and give money saved to water projects, their local change was felt in dozens of Ugandan schools.

The Crossing Church in the St. Louis area mobilized support for Living Water again in 2010. Their impact will be felt for years to come. In addition to sponsoring projects, The Crossing's generosity allowed Living Water to do things like develop new well maintenance models, invest more in hygiene education, and build a plan to double our impact over the next five years.

Global change like that doesn't come from a great ministry headquarters in Houston. It comes from local churches, households, and individuals, praying and acting all the time, everywhere, one.





LIVING WATER

Growth and impact

CELEBRATING 20 YEARS • WATERSHED • LEADERSHIP • FINANCIALS



CELEBRATING 20 YEARS

In 2010 Living Water International celebrated 20 years of ministry. We looked back at plans over the years that yielded just what we hoped for. But we also remembered even better plans that yielded what God had hoped for us. Often while we made plans involving drill rigs, wells, training, and budgets, God was making plans to transform our hearts to demonstrate his love. We celebrate the triumph of God's plans over ours to remember why Living Water exists in the first place.

THE 1990 MISSION TRIP

Living Water wasn't born out of a vision for the world, but out of love for distant neighbors. In 1990, a group went on a church mission trip to Kenya. They planned to offer medical assistance, build a church building, and drill a well, but something better happened. They met thirsty neighbors, and loved them.

Looking back we see that God knew all along the trip wasn't really about offering assistance to a Kenyan village. It was about transforming hearts and leading lives to more fully demonstrate the gospel. Ten thousand transformed villages later, it's easy to see that God's plan was better.

THE FIRST WELL

That first trip didn't result in a water well, so people went back over and over again, and were met with new obstacles each time. Eventually they trained an African to drill the well to save airfare. It was the first successful well!

What started out as a practical solution turned into a vision to train, consult, and equip local people around the world to address their own countries' water needs. Suddenly the mission was a lot bigger, and worth forming a ministry around. But people would need to be trained to help.

TRAINING CAMP

Living Water co-founder Harry Westmoreland had designed an inexpensive portable drill rig, the LS-100. Living Water started training people in its use, in hopes that some would be called to deploy as missionaries. Then missionaries

around the world started deploying to Living Water's training camp!

It seemed God's plan was that we would equip partners who were already serving people who needed safe water, and who wanted to offer it in Jesus' name. One after another, country operations were born. But the training program also produced American trainees, eager to put their newly acquired skills to use.

SHORT-TERM TRIPS

Living Water began hosting short-term well drilling trips in response to the demand of training camp graduates. Participants were willing to pay their own way, so it seemed like a good way to drill a few wells.

But something else happened. Participants came home saying their lives had been changed forever. They committed support, lent their voices, gave funds, and involved friends. Their passion proved even more valuable to the thirsty than their drilling knowledge, which reminded us of a certain mission trip in 1990.

CELEBRATION

In September 2010, about a thousand Living Water supporters gathered in Houston to celebrate 20 years of ministry. It was the most successful Living Water event to date. Today we celebrate that it was the best attended event in our history and raised more money than we ever had in one evening. But we know one day we'll look back and see God had an even bigger plan. It will probably have something to do with love and transformed hearts, and it will probably surprise us. God surprised us when he showed up in Jesus, and Jesus still surprises us in the ways he shows up in the people we serve. There is no reason to think God will ever stop surprising and delighting us; we just hope you'll be around to share the joy.

WATERSHED *cultivating our strengths for growth and impact*

In 2010 Living Water International's board of directors gave President and CEO Mike Mantel a task: create a five-year plan to double the ministry's impact. The result was a strategic planning process we dubbed "Watershed: Cultivating our Strengths for Growth and Impact."

Instead of working on a top-down strategy behind closed doors, Mike engaged the entire Living Water system to harness the accumulated experience of 10,000 projects in 25 countries over the past 20 years.

Over the course of the year, more than 250 well drillers, church leaders, industry experts, donors, partners, hygiene trainers, mission trip participants, board members, staff, and volunteers engaged in a series of summits in which stakeholders formulated "Big Ideas" to inform Living Water's five-year plan.

US SUMMIT | HOUSTON, TEXAS

In March, 68 summit participants gathered in Houston for a well-orchestrated series of some 100 collective work sessions over two days, to produce a set of ideas that would go on to the Integration Summit in December. Watershed was underway!

LATIN AMERICA SUMMIT | ANTIGUA, GUATEMALA

In May, 59 South, Central, and North Americans joined the process and Watershed was already yielding results. As Latin American staff shared experiences, they immediately started arranging to cross borders to share knowledge and experience. Men who had lived through poverty and war were brought to tears by the oneness of spirit they felt.

INDIA SUMMIT | HOUSTON, TEXAS

In September, 17 staff from as far south as Kerala, as far east as Varanasi, and as far west as Sugarland, Texas, gathered for the India Summit. There the plan was enriched by the perspectives of Indian engineers and church-planters.

HAITI SUMMIT | PORT AU PRINCE, HAITI

Next, 21 Haitians and Americans assembled lessons learned under the harshest disaster conditions. Experience

gained through Living Water's earthquake response in Haiti would improve training programs around the world.

AFRICA SUMMIT | ENTEBBE, UGANDA

In October, 53 people who work with Living Water programs in Africa represented experience reaching as far back as the ministry itself. Africa's long-time dependence on water-points like the ones Living Water typically installs resulted in a lot of wisdom about program design, service delivery, and strategies for improved maintenance and sustainability.

INTEGRATION SUMMIT | HOUSTON, TEXAS

In December the ideas distilled from the collective thousands of years of individual experience were integrated and refined to produce a plan. Themes emerged. Ideas were converted into actionable items, placed on calendars, and tied to budgets, dreams, and revenue streams. A plan was produced and today it is underway. Strengths developed over 20 years in 25 countries are being cultivated, and Living Water is on its way to doubling its growth and impact. Here are a few things you can expect at Living Water between now and 2015:

- Increased water, sanitation and hygiene (WASH) activities in all programs
- More innovative disciple making activities in partnership with local churches
- Work concentrated in geographic zones to maximize transformation
- Increased focus on helping communities mobilize their own material assets
- Increasingly decentralized authority to empower regional staff in new ways
- Even more fun and creative ways to learn and get involved

To view Living Water's new five-year plan, go to www.water.cc/strategy.

WATERSHED

CULTIVATING OUR STRENGTHS FOR GROWTH AND IMPACT



CORPORATE OFFICERS 2011

David Welch
Chairman of the Board

Mike Mantel, PhD
President & CEO

Gary Evans
Executive Vice President

Jim Malliet
CFO/Treasurer

Jerry Wiles
President Emeritus

Tim Mulville
Vice President

Lew Hough
Vice President

Brad Saltzman
Vice President

Emison Lewis
Controller

Sharon Evans
Secretary

OUR LEADERSHIP



Mike Mantel first joined Living Water International as Senior Vice President of Development in 2008. He brings with him 16 years of experience in leadership roles at World Vision, a PhD in Organizational Development, and a passion for water ministry.

"Since the very beginning," says Living Water International's founding director, Gary Evans, "I realized we should be planning for perpetuity." But it would be thirteen years before Gary felt like God had given him the right man for the job. The future of Living Water's leadership became clear the day Gary met Mike Mantel.

Mike joined Living Water International as Senior Vice President of Development in 2008. His remarkable leadership was immediately evident and in 2010 Mike became President and CEO.

"Transition," Mike said, "is an opportunity to value our history, our relationships, the knowledge we've developed, and the blessings the Lord has given us—to hold on to those, and to build on them to discern what the Lord has for us for the next 20 years."

Gary now serves Living Water from an Executive Vice President role that allows him to provide council to the organization as well as take on projects he had long wanted to pursue. Also in 2010, Jim Malliet assumed leadership as Chief Financial Officer, taking on responsibility for accounting, finance, budgeting, information technology and human resources.

Jerry Wiles, who served as President beginning in 2001, moved into a role as President Emeritus, from which he can now focus on his deepest passion: developing discipleship strategies.

Rapid growth like Living Water's requires change. Change can stretch and challenge any organization, but perhaps the best indication of the quality of leadership at Living Water is the excitement about what lies ahead.

BOARD OF DIRECTORS 2011



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Chairman of the Board
Franklin, Turner
& Welch LLC



Bob D. Boozer, PE
President
Landev Engineers, Inc.



Hollis H. Bullard
Volunteer



Danielle Dearing
Volunteer



Mark S. Hartman, Dmin
Senior Pastor
Sugar Creek Baptist Church



Keith D. Hatch
Partner
SKH Management



Becky Morris
Volunteer



Connie Noble
Land Manager
Square Mile Energy



Robert J. Pettigrew
Hydrogeologist
URS Corporation



Tedde Reid
President
SEFA Inc.



Jeffrey R. Singer
Attorney
Trial Lawyers



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Bill Walls
Thomas Walters
Robert Wiley, PhD
Mark Winter
Robert Zincke



2010 REVENUE

- 34% ■ Individuals
- 27% ■ Churches & Schools
- 23% ■ Foundations
- 16% ■ Corporations



2010 EXPENSES

- 79% ■ Programs*
- 14% ■ Development
- 7% ■ Administration

* LWI programs include water access, evangelism, and introductory hygiene training. (See page 46 for more information.)

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Living Water International:

We have audited the accompanying statements of financial position of Living Water International (LWI) as of December 31, 2010 and 2009 and the related statements of activities, of functional expenses, and of cash flows for the years then ended. These financial statements are the responsibility of the management of LWI. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of LWI as of December 31, 2010 and 2009 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Blazek & Vetterling

June 23, 2011

STATEMENTS OF FINANCIAL POSITION

as of December 31, 2010 and 2009

	2010	2009
Assets		
Cash (Note 2)	\$ 4,374,392	\$ 2,425,764
Pledges receivable	232,188	847,654
Prepaid expenses and other assets	393,202	468,140
Property and equipment, net (Note 3)	2,987,327	3,061,579
Total Assets	\$ 7,987,109	\$ 6,803,137
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 435,422	\$ 298,407
Accrued expenses	277,853	239,076
Notes payable (Note 4)	231,579	282,681
Total liabilities	944,854	820,164
Net assets:		
Unrestricted	5,120,336	3,490,820
Temporarily restricted (Note 5)	1,921,919	2,492,153
Total net assets	7,042,255	5,982,973
Total Liabilities And Net Assets	\$ 7,987,109	\$ 6,803,137

See accompanying notes to financial statements.

STATEMENT OF ACTIVITIES

for the year ended December 31, 2010 (with comparative totals for 2009)

	2010			2009
	Unrestricted	Temporarily Restricted	Total	Total
Revenue:				
Contributions	\$ 6,879,045	\$ 8,406,075	\$ 15,285,120	\$ 10,390,172
Special events	1,948,679	108,428	2,057,107	1,809,277
Rental income	17,816		17,816	77,821
Training fees	46,915		46,915	68,32
Other income	3,583		3,583	107,439
Total revenue	8,896,038	8,514,503	17,410,541	12,453,035
Net assets released from restrictions:				
Program expenditures	9,084,737	(9,084,737)		
Total	17,980,775	(570,234)	17,410,541	12,453,035
Expenses:				
Program expenses:				
Water well programs	11,493,778		11,493,778	10,631,993
Mission outreach	1,263,380		1,263,380	776,639
Training and hygiene	137,138		137,138	107,250
Total program expenses (Note 6)	12,894,296		12,894,296	11,515,882
Management and general	1,127,685		1,127,685	971,155
Fundraising:				
Direct donor benefits	135,292		135,292	97,477
Other fundraising	2,193,986		2,193,986	1,614,555
Total fundraising	2,329,278		2,329,278	1,712,032
Total expenses	16,351,259		16,351,259	14,199,069
Changes In Net Assets	1,629,516	(570,234)	1,059,282	(1,746,034)
Net assets, beginning of year	3,490,820	2,492,153	5,982,973	7,729,007
Net assets, end of year	\$ 5,120,336	\$ 1,921,919	\$ 7,042,255	\$ 5,982,973

See accompanying notes to financial statements.

STATEMENTS OF CASH FLOWS

for the years ended December 31, 2010 and 2009

	2010	2009
<i>Cash Flows From Operating Activities:</i>		
Changes in net assets	\$ 1,059,282	\$ (1,746,034)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	152,112	136,428
Changes in operating assets and liabilities:		
Pledges receivable	615,466	1,316,717
Prepaid expenses and other assets	74,938	(187,839)
Accounts payable	137,015	(164,153)
Accrued expenses	38,777	93,763
Net cash provided (used) by operating activities	2,077,590	(551,118)
<i>Cash Flows From Investing Activities:</i>		
Purchase of property and equipment	(77,860)	(323,502)
Net cash used by investing activities	(77,860)	(323,502)
<i>Cash Flows From Financing Activities:</i>		
Repayments of notes payable	(51,102)	(55,988)
Net cash used by financing activities	(51,102)	(55,988)
<i>Net Change In Cash</i>	1,948,628	(930,608)
Cash, beginning of year	2,425,764	3,356,372
Cash, end of year	\$ 4,374,392	\$ 2,425,764
Supplemental disclosure of cash flow information:		
Interest paid	\$16,072	\$17,083
Contribution of marketable securities	\$447,000	\$151,000

See accompanying notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

for the year ended December 31, 2010 (with comparative totals for 2009)

Expenses	Water Well Programs	Mission Outreach	Training And Hygiene	Total Program Expenses
Water drilling and equipment project costs	\$ 7,183,038			\$ 7,183,038
Salaries and related benefits	1,511,786		\$ 69,166	1,580,952
Travel, meals, and lodging	640,331	\$ 1,234,482	36,910	1,911,723
Contract labor	702,175	2,958		705,133
Materials and supplies	399,580	4,042	24,759	428,381
Professional fees	145,369		116	145,485
License permits and fees	134,022	1,998		136,020
Leases and rentals	234,329		1,950	236,279
Repairs and maintenance	218,566	1,673	23	220,262
Postage and shipping	104,663		678	105,341
Printing and reproduction	6,921		128	7,049
Depreciation	58,102			58,102
Insurance	62,100	18,227		80,327
Telephone	52,194		208	52,402
Utilities	18,226			18,226
Dues and subscriptions	8,894			8,894
Advertising and promotion				
Interest and finance charges				
Other	13,482		3,200	16,682
Total expenses	\$ 11,493,778	\$ 1,263,380	\$ 137,138	\$ 12,894,296

See accompanying notes to financial statements.



FINANCIAL AFFILIATIONS & ENDORSEMENTS



<i>Management And General</i>	<i>Fundraising</i>	<i>2010 Total Expenses</i>	<i>2009 Total Expenses</i>
		\$ 7,183,038	\$ 7,259,431
\$ 738,683	\$ 1,073,822	3,393,457	2,875,278
43,511	287,852	2,243,086	1,299,930
20,447	102,682	828,262	684,945
15,253	81,323	524,957	344,466
77,980	253,860	477,325	381,500
31,244	107,027	274,291	313,898
8,447	7,329	252,055	108,500
15,609	12,061	247,932	95,427
6,154	91,203	202,698	235,320
2,616	152,690	162,355	130,791
63,694	30,316	152,112	136,428
17,358	23,664	121,349	122,126
14,603	32,413	99,418	84,545
23,101	14,619	55,946	57,057
9,418	25,617	43,929	27,463
	28,289	28,289	12,989
22,878		22,878	17,083
16,689	4,511	37,882	11,892
\$ 1,127,685	\$ 2,329,278	\$ 16,351,259	\$ 14,199,069



NOTES TO FINANCIAL STATEMENTS

for the years ended December 31, 2010 and 2009

Note 1 – Organization And Significant Accounting Policies

Organization – Living Water International (LWI) was organized as a Texas nonprofit corporation in 1990. LWI exists to demonstrate the love of God by providing desperately needed clean water and health and hygiene training, along with the Living Water of the Gospel of Jesus Christ, which alone satisfies the deepest thirst. LWI serves all people, regardless of religion, race, ethnicity or gender. LWI's services are provided in developing countries.

The work of LWI can be broken down into three programs that are inter-related:

- **Water well program** – In 2010, LWI celebrated its 20th year of service and completed its 10,000th water project, which included drilling new water wells and the rehabilitation of non-working wells in over 20 under-developed countries.

- **Mission outreach program** – LWI leads hundreds of volunteers into the field each year to assist in drilling wells, teaching health and hygiene, and sharing their faith. The contributions given for mission trips, which are included in contribution revenue, cover the volunteer costs for travel, meals, and lodging.

- **Training and hygiene program** – The organization believes that proper health and hygiene practices multiply the benefits of clean water. LWI staff and volunteers teach health and hygiene courses in developing countries and provide training to empower and inspire people to serve the thirsty.

Federal income tax status – LWI is exempt from federal income taxes under §501(c)(3) of the Internal Revenue Code and is classified as a public charity under §509(a)(1) and 170(b)(1)(A)(vi).

Pledges receivable that are expected to be collected within one year are reported at net realizable value. Pledges receivable that are expected to be collected after one year are discounted to estimate the present value of future cash flows, if material. At December 31, 2010, pledges receivable are due within one year.

Property and equipment is reported at cost, if purchased, or at estimated fair value at the date of the gift, if donated. Property and equipment purchases over \$5,000 are capitalized. Equipment purchased for foreign country affiliates and partners is expensed

at the time the equipment and its title are transferred. Depreciation is calculated on a straight-line basis over estimated useful lives of 5 to 40 years.

Net asset classification – Contributions and the related net assets are classified based on the existence or absence of donor-imposed restrictions, as follows:

- **Unrestricted net assets** include those net assets whose use is not restricted by donor-imposed stipulations even though their use may be limited in other respects, such as by contract or board designation.

- **Temporarily restricted net assets** include contributions restricted by the donor for specific purposes or time periods. When a purpose restriction is accomplished or a time restriction ends, temporarily restricted net assets are released to unrestricted net assets.

Contributions are recognized as revenue at fair value when an unconditional commitment is received from the donor. Contributions received with donor stipulations that limit their use are reported as restricted support. Conditional contributions are recognized in the same manner when the conditions are substantially met.

Contributed materials and services are recognized at fair value when an unconditional commitment is received from the donor. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. LWI received approximately \$65,000 in 2010 and \$80,000 in 2009 in contributed program supplies and materials. A substantial number of volunteers have contributed significant amounts of time in connection with programs, administration and fundraising for which no amount has been recognized in the financial statements because the services did not meet the criteria for recognition under generally accepted accounting principles.

Rental income and training fees are recognized in the period in which the related services are provided.

Estimates – Management must make estimates and assumptions to prepare financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported

amounts of assets and liabilities, the disclosure of contingent assets and liabilities, the amounts of reported revenue and expenses, and the allocation of expenses among various functions. Actual results could vary from the estimates that were used.

Reclassifications – Certain reclassifications have been made to the prior year financial statements to conform with the current presentation.

Note 2 – Cash

Cash consists of both unrestricted cash and cash balances from temporarily restricted contributions as follows:

	2010	2009
Unrestricted cash	\$ 2,666,604	\$ 541,358
Cash from temporarily restricted contributions	1,707,788	1,884,406
Total cash	<u>\$ 4,374,392</u>	<u>\$ 2,425,764</u>

It is management's goal to have an unrestricted cash balance of three months' working capital coverage to offset variances in actual donations versus planned.

Note 3 – Property And Equipment

Property and equipment consist of the following:

	2010	2009
Land	\$ 404,738	\$ 404,738
Building and improvements	2,650,663	2,595,463
Drilling equipment	225,815	225,815
Office and computer equipment	136,622	124,578
Furniture and fixtures	120,397	109,780
Vehicles	78,410	78,410
Total property and equipment, at cost	3,616,645	3,538,784
Accumulated depreciation	(629,318)	(477,205)
Property and equipment, net	<u>\$ 2,987,327</u>	<u>\$ 3,061,579</u>

Note 4 – Notes Payable

Notes payable consist of the following:

	2010	2009
Note payable to the Overseas Private Investment Corporation payable in semi-annual installments, with an interest rate of 5.47%, due June 2016, to finance well drilling equipment for work in Kenya.	\$ 115,789	\$ 136,842
Note payable to the Overseas Private Investment Corporation payable in semi-annual installments, with an interest rate of 5.72%, due June 2016, to finance well drilling equipment for work in Kenya.	115,790	136,842
Other equipment financing arrangements.		8,997
Total notes payable	\$ 231,579	\$ 282,681

Principal payments are scheduled to be paid as follows:

2011	\$ 42,105
2012	42,105
2013	42,105
2014	42,105
2015	42,105
2016	21,054
Total	\$ 231,579

Note 5 – Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes and time periods:

	2010	2009
Water well programs:		
Haiti	\$ 818,750	\$ 10,514
Ethiopia (Hilton Grant)	490,326	1,149,619
Sierra Leone	154,847	60,000
Uganda	140,684	132,510
El Salvador	68,146	69,978
Burkina Faso	59,230	99,090
India	42,152	94,215
Honduras	27,376	86,807
Rwanda		185,000
Kenya		137,810
Burundi		147,844
Other countries	106,008	175,265
Time restricted	14,400	143,501
Total temporarily restricted net assets	\$ 1,921,919	\$ 2,492,153



Note 6 – Expenditures In Developing Countries

LWI provides services in developing countries by providing support to independent non-profit and other organizations that have missions and goals similar to those of LWI. A list of these non-profit and other organizations is as follows:

Country	Name of Organizations
Angola	By Provision
Brazil	Amazon Outreach
Central African Republic	Integrated Community Development International
El Salvador	Agua Viva Internacional
Ethiopia	Kale Heywet Church Water Program; Salem Water is Life
Ghana	APF; Living Waters Ministries; African Assistance Plan
Guatemala	Asociación Pozos Agua Viva
Haiti	New Life Missions International
Honduras	Agua Viva Internacional
India	Sampurn Development India; Living Water India
Kenya	Serve International
Liberia	Living Water International – Liberia
Malawi	Child Legacy
Mexico	Living Water Internacional, Puebla, Mission Resource International
Namibia	By Provision
Nigeria	Relief Network Ministries
Peru	Tommy Head Peru Ministries
Rwanda	Living Water International – Rwanda
Uganda	Divine Waters; Life Giving Water; LWI Uganda
Zambia	Water for the Oppressed; LWI Zambia
Zimbabwe	Global Water Partners

Note 7 – Related Party Transactions

LWI entered into contracting agreements with vendors with payments totaling approximately \$97,000 in 2010 and \$184,000 in 2009, in which the principal contractors are family members of the Executive Vice President of LWI. In 2010, approximately \$59,000 was paid to an in-country implementing contractor who is a family member of a Vice President of LWI.

Note 8 – Subsequent Events

Management has evaluated subsequent events through June 23, 2011, which is the date that the financial statements were available for issuance. As a result of this evaluation, no events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.





ACKNOWLEDGEMENTS

PHOTOGRAPHY

Paul Darilek

Work featured on pages 19, 20, 44, and 47

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Work featured on pages 3 and 38.

Geoffrey Richter

Work featured on page 20.

MISSION STATEMENT

Living Water International exists to demonstrate the love of God by helping communities acquire desperately needed clean water, and experience “living water”—the gospel of Jesus Christ—which alone satisfies the deepest thirst.



Living Water International • PO Box 35496 • Houston, Texas 77235-5496 • 877.594.4426 • www.water.cc