

Planet Water Foundation

Financial Statements and
Independent Auditors' Report

December 31, 2024 and 2023

Planet Water Foundation
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Planet Water Foundation
Phoenix, Arizona

Opinion

We have audited the accompanying financial statements of Planet Water Foundation (the Foundation) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and cash flows for the years 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 Foundation, as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the 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 Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 GAAS 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 GAAS, 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 Foundation'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 Foundation'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.

D3A PLLC

Spokane Valley, Washington
May 2, 2025

Planet Water Foundation
Statements of Financial Position
December 31, 2024 and 2023

ASSETS	2024	2023
<i>Current assets</i>		
Cash and cash equivalents	\$ 1,118,659	\$ 1,495,277
Investments	158,999	102,438
Contributions receivable	162,771	9,800
Inventories	1,475,778	1,374,484
Prepaid expenses	20,043	25,409
Total current assets	2,936,250	3,007,408
<i>Noncurrent assets</i>		
Property and equipment, net	17,327	21,653
Operating lease right-of-use assets	212,575	71,593
Total noncurrent assets	229,902	93,246
Total assets	\$ 3,166,152	\$ 3,100,654
LIABILITIES AND NET ASSETS		
<i>Current liabilities</i>		
Accounts payable	\$ 54,551	\$ 296,826
Accrued compensation and related liabilities	5,356	4,895
Refundable contribution advances	887,000	1,879,390
Current maturities of long-term debt	5,133	4,994
Current maturities of operating lease liabilities	70,125	71,593
Total current liabilities	1,022,165	2,257,698
<i>Noncurrent liabilities</i>		
Long-term debt, less current maturities	183,041	188,162
Operating lease liabilities, noncurrent	142,449	-
Total noncurrent liabilities	325,490	188,162
Total liabilities	1,347,655	2,445,860
<i>Net assets</i>		
Without donor restrictions	894,596	654,794
With donor restrictions	923,901	-
Total net assets	1,818,497	654,794
Total liabilities and net assets	\$ 3,166,152	\$ 3,100,654

See accompanying notes to financial statements.

Planet Water Foundation
Statements of Activities
Years Ended December 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<i>Operating revenues</i>						
Contributions	\$ 54,383	\$ 4,830,124	\$ 4,884,507	\$ 51,027	\$ 3,213,072	\$ 3,264,099
Sales of inventory	19,000	-	19,000	2,869	-	2,869
Investment return, net	6,097	-	6,097	9,695	-	9,695
Net assets released from restrictions	3,906,223	(3,906,223)	-	4,301,856	(4,301,856)	-
Total operating revenues	3,985,703	923,901	4,909,604	4,365,447	(1,088,784)	3,276,663
<i>Expenses</i>						
Program services	3,081,281	-	3,081,281	3,658,564	-	3,658,564
Management and general	394,179	-	394,179	337,499	-	337,499
Fundraising	270,441	-	270,441	193,992	-	193,992
Total expenses	3,745,901	-	3,745,901	4,190,055	-	4,190,055
<i>Change in net assets</i>	239,802	923,901	1,163,703	175,392	(1,088,784)	(913,392)
Net assets, beginning of year	654,794	-	654,794	479,402	1,088,784	1,568,186
Net assets, end of year	\$ 894,596	\$ 923,901	\$ 1,818,497	\$ 654,794	\$ -	\$ 654,794

See accompanying notes to financial statements.

Planet Water Foundation
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
<i>Change in Cash and Cash Equivalents</i>		
<i>Cash flows from operating activities</i>		
Cash received from contributions	\$ 3,688,682	\$ 4,847,738
Cash received from sales of inventory	19,000	2,869
Cash paid to suppliers and others	(3,779,446)	(3,934,903)
Cash paid for employee salaries and benefits	(295,110)	(272,624)
Net cash from operating activities	(366,874)	643,080
<i>Cash flows from investing activities</i>		
Purchase of property and equipment	(4,762)	(15,812)
Payments on long-term debt	(4,982)	(4,875)
Net cash from investing activities	(9,744)	(20,687)
Net change in cash and cash equivalents	(376,618)	622,393
Cash and cash equivalents, beginning of year	1,495,277	872,884
Cash and cash equivalents, end of year	\$ 1,118,659	\$ 1,495,277

See accompanying notes to financial statements.

Planet Water Foundation
Statements of Cash Flows (Continued)
Years Ended December 31, 2024 and 2023

	2024	2023
<i>Reconciliation of Change in Net Assets to Net Cash and Cash Equivalents from Operating Activities</i>		
Change in net assets	\$ 1,163,703	\$ (913,392)
<i>Adjustments to reconcile change in net assets to net cash and cash equivalents from operating activities</i>		
Equity investment contribution	(50,464)	(10,122)
Depreciation	7,638	9,147
Investment return, net	(6,097)	(9,695)
(Increase) decrease in assets:		
Contributions receivable	(152,971)	140,702
Inventories	(113,094)	(308,727)
Prepaid expenses	5,366	(11,947)
Increase (decrease) in liabilities:		
Accounts payable	(229,026)	293,904
Accrued compensation and related liabilities	461	151
Accrued interest	-	(3,641)
Refundable contribution advances	(992,390)	1,456,700
Net cash from operating activities	\$ (366,874)	\$ 643,080

Noncash financing and investing activities:

During the year ended December 31, 2024, the Foundation recognized operating lease liabilities of \$212,575 and related operating lease right-of-use assets upon adoption of Financial Accounting Standards Board (FASB) *Accounting Standards Update 2016-02, Leases* (Topic 842).

See accompanying notes to financial statements.

Planet Water Foundation
Notes to Financial Statements
Years Ended December 31, 2024 and 2023

1. Organization and Summary of Significant Accounting Policies:

a. Organization

Planet Water Foundation (the Foundation) is a nonprofit corporation established in 2009. Although incorporated in Nebraska, operations are primarily based in Thailand. The primary objective of the Foundation is to help alleviate the global water crisis by bringing clean water access, through the installation of community-based water filtration systems, and water-health and hygiene education programs to the world's most impoverished communities. Programs are focused on schools, children, and rural communities across the Asia-Pacific region and Latin America.

b. Related Entities and Transactions

The Foundation makes purchases from and sales to the following companies, which are considered related-party transactions.

AquaSafe Systems LLC (ASLLC), formerly Planet Water LLC, is a for-profit corporation based in the United States and is a supplier of water filtration systems. ASLLC is under majority ownership by the members of the Foundation's Board of Directors. The Foundation purchased approximately \$1,304,000 and \$1,960,000 of these products during the years ended December 31, 2024 and 2023, respectively. The Foundation also received approximately \$18,000 and \$3,000 for the sale of inventories back to ASLLC. As of December 31, 2023, accounts payable include approximately \$299,000 due to ASLLC for water filtration systems.

Planet Water Thailand Co., Ltd. (PWT) is a for-profit company based in Thailand and is under majority ownership by members of the Foundation's Board of Directors. PWT supplies finance, development, and supply chain/logistics management services to the Foundation and provides office and warehouse space to support regional activities. PWT was paid approximately \$400,000 and \$382,000 by the Foundation for these services during the years ended December 31, 2024 and 2023, respectively.

c. Summary of Significant Accounting Policies

Basis of presentation – The financial statements of the Foundation have been presented on the accrual basis of accounting. The Foundation reports information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions.

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents – For purposes of the statements of cash flows, the Foundation considers all highly liquid investments with original maturity dates of three months or less to be cash equivalents.

Planet Water Foundation
Notes to Financial Statements (Continued)
Years Ended December 31, 2024 and 2023

1. Organization and Summary of Significant Accounting Policies (continued):

c. Summary of Significant Accounting Policies (continued)

Investments – Investments are stated at fair value as determined by quoted market prices in the statement of financial position. Investment return consists of interest and dividend income earned, investment fees, and gains or losses on those investments.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the future, and such changes could materially affect the amounts reported in the statements of financial position.

Fair value measurements – Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date.

The Foundation classifies its investments based upon an established fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

- **Level 1** – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities
- **Level 2** – Quoted prices in markets that are not considered to be active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly
- **Level 3** – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable

All the Foundation’s investments were Level 1 investments as of December 31, 2024 and 2023.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Foundation’s assessment of the significance of a particular input to fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

The methods described above may or may not produce a fair value calculation that is indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with the other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Planet Water Foundation
Notes to Financial Statements (Continued)
Years Ended December 31, 2024 and 2023

1. Organization and Summary of Significant Accounting Policies (continued):

c. Summary of Significant Accounting Policies (continued)

Contributions receivable – Receivables are recorded net of uncollectible accounts based on experience and any unusual circumstances that may affect the ability of funding organizations to meet their obligations. Contributions receivable were evaluated based on the above criteria and believed to be fully collectible. Therefore, no allowance for uncollectible contributions receivable is considered necessary.

Prepaid expenses – Prepaid expenses are expenses paid during the year relating to expenses incurred in future periods. Prepaid expenses are amortized over the expected benefit period of the related expense.

Inventories – Inventories are stated at the lower of cost or market value on the first-in, first-out method. Inventories consist of purchased materials used in the construction and maintenance of water filtration systems.

Property and equipment – It is the Foundation’s policy to capitalize property and equipment with a basis greater than \$500 and an estimated useful life of greater than one year; lesser amounts are expensed. The Foundation’s capital assets are stated at cost, if purchased. Contributed items are recorded at fair value at the date of contribution. Depreciation has been computed on the straight-line method over one to seven years.

Net assets with donor restrictions – Net assets with donor restrictions are those whose use by the Foundation has been restricted by donors to a specific time period or purpose.

Contributions – Contributions received are reflected as with donor restrictions or without donor restrictions, depending on the existence or nature of any donor or time restrictions.

Support that is restricted by the donor is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Sales of inventory – From time to time, the Foundation sells back its inventory to related organizations, PWLLC or PWT, to support inventory shortages due to currently prevalent supply chain issues. The income is recognized in the period in which ownership transfers, typically upon receipt by purchaser.

Income tax status – The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Code as other than a private foundation. The Foundation evaluates uncertain tax positions whereby the effect of the uncertainty would be recorded if the outcome was considered probable and reasonably estimable. As of December 31, 2024 and 2023, the Foundation had no uncertain tax positions requiring accrual.

Planet Water Foundation
Notes to Financial Statements (Continued)
Years Ended December 31, 2024 and 2023

1. Organization and Summary of Significant Accounting Policies (continued):

c. Summary of Significant Accounting Policies (continued)

Upcoming accounting pronouncements – Accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the financial statements upon adoption.

Subsequent events – The Foundation has evaluated subsequent events through May 2, 2025, the date on which the financial statements were available to be issued.

2. Liquidity and Availability of Financial Assets:

The following reflects the Foundation’s financial assets, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year.

	2024	2023
<i>Financial assets, at year end</i>		
Cash and cash equivalents	\$ 1,118,659	\$ 1,495,277
Investments	158,999	102,438
Contributions receivable	162,771	9,800
<i>Less refundable contribution advances</i>	(887,000)	(1,879,390)
<i>Less those restricted by donor for purpose</i>	(923,901)	-
Financial assets available to meet cash needs for general expenditures within one year	\$ (370,472)	\$ (271,875)

Because a donor’s restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As a part of the Foundation’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Foundation has committed lines of credit totaling \$161,700, which it could draw upon in the event of an unanticipated liquidity need.

Planet Water Foundation
Notes to Financial Statements (Continued)
Years Ended December 31, 2024 and 2023

3. Investments:

Investments reported by the Foundation are comprised as follows:

	2024	2023
<i>Cash and cash equivalents</i>	\$ 3,613	\$ 1,150
<i>Mutual and exchange-traded funds</i>		
Large cap	70,505	28,816
Mid cap	15,304	5,827
Small cap	-	2,882
International developed markets	26,943	17,198
International emerging markets	7,608	5,696
Real estate securities	-	2,240
Commodities	3,922	1,843
Fixed income	31,104	32,339
Other	-	4,447
Total mutual and exchange-traded funds	155,386	101,288
Total investments	\$ 158,999	\$ 102,438

4. Inventories:

Inventories are comprised as follows:

	2024	2023
<i>Inventories on hand</i>		
Water filtration systems	\$ 942,345	\$ 759,500
Water bottles and cups	173,433	167,643
Total inventories on hand	1,115,778	927,143
<i>Inventories purchased but not yet shipped</i>		
Water filtration systems	360,000	401,525
Water bottles and cups	-	45,816
Total inventories purchased but not yet shipped	360,000	447,341
Inventories	\$ 1,475,778	\$ 1,374,484

Planet Water Foundation
Notes to Financial Statements (Continued)
Years Ended December 31, 2024 and 2023

5. Property and Equipment:

Property and equipment are comprised as follows:

	2024	2023
Leasehold improvements	\$ 15,922	\$ 15,922
Machinery and equipment	41,793	44,510
Software	1,468	1,468
Less accumulated depreciation	(41,856)	(40,247)
Property and equipment, net	\$ 17,327	\$ 21,653

6. Lines of Credit:

The Foundation has lines of credit with Chase Bank at December 31, 2024 and 2023. The open lines of credit totaled \$161,700 and \$146,700, respectively. Draws on the lines of credit were approximately \$25,400 and \$9,100 at December 31, 2024 and 2023, respectively, included in accounts payable.

7. Long-term Debt:

Long-term debt consists of:

	2024	2023
Note payable to U.S. Small Business Administration at 2.75% interest. Payments are due in monthly installments of principal and interest of \$855. The note is secured by all tangible and intangible personal property of the Foundation and matures on April 20, 2050.	\$ 188,174	\$ 193,156
Less current maturities	(5,133)	(4,994)
Long-term debt	\$ 183,041	\$ 188,162

Planet Water Foundation
Notes to Financial Statements (Continued)
Years Ended December 31, 2024 and 2023

7. Long-term Debt (continued):

Future principal maturities of long-term debt are:

Years Ending December 31,	Amounts
2025	\$ 5,133
2026	5,276
2027	5,423
2028	5,574
2029	5,729
Thereafter	161,039
	\$ 188,174

Interest expense was approximately \$5,000 and \$2,000 for the years ended December 31, 2024 and 2023, respectively.

8. Leases:

The determination of whether an arrangement is a lease is made at the lease's inception. Under *Accounting Standards Codification (ASC) 842*, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Right-of-use (ROU) assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. To determine the present value of lease payments, management uses the risk-free rate at lease commencement, according to the Foundation's policy. Operating lease ROU assets also include any lease payments made and excludes any lease incentives.

The Foundation has an operating lease for office and warehouse space. The Foundation also has certain leases for office and warehouse space with terms less than 12 months. Leases with an initial term of 12 months or less are not recorded on the statement of financial position. Lease expense is recognized for these leases on a straight-line basis over the lease term.

The Foundation has a lease that includes one or more options to renew, with renewal terms that can extend the lease term in additional one-year increments. Only lease options that the Foundation believes are reasonably certain to be exercised are included in the measurement of the lease assets and liabilities. ROU assets are amortized/depreciated over the term of the lease unless there is a transfer of title or purchase option reasonably certain of exercise, in which case the asset life is used.

Planet Water Foundation
Notes to Financial Statements (Continued)
Years Ended December 31, 2024 and 2023

8. Leases (continued):

The Foundation has lease agreements with lease and non-lease components, which are generally accounted for separately with amounts allocated to the lease and non-lease components based on stand-alone prices.

The Foundation's lease agreement includes variable payments based on use, which are not determinable at the lease commencement and are not included in the measurement of the lease asset and liabilities.

The Foundation's lease agreements do not contain any material residual value guarantees or restrictive covenants.

The following summarizes the line items in the statements of activities, which include the components of lease expense:

	2024	2023
Operating:		
Operating leases, included in rent expense	\$ 72,000	\$ 72,000
Short-term leases, included in rent expense	17,922	10,363
Net lease cost	\$ 89,922	\$ 82,363

The following summarizes the weighted average remaining lease term (in years) and discount rate:

	2024	2023
Weighted Average Remaining Lease Term (in years)		
Operating leases	3.0	1.0
Weighted Average Discount Rate		
Operating leases	1.04%	1.04%

The minimum future lease payments from lease liabilities are as follows:

Years Ending December 31,	Operating
2025	\$ 72,000
2026	72,000
2027	72,000
Less: portion representing interest	(3,426)
Present value of lease liabilities	\$ 212,574

Planet Water Foundation
Notes to Financial Statements (Continued)
Years Ended December 31, 2024 and 2023

9. Net Assets with Donor Restrictions:

Net assets with donor restrictions at December 31, 2024, consist of contributions restricted for specific water filtration and education projects. Net assets are released from donor restrictions as the projects are completed.

10. Conditional Contributions:

At December 31, 2024 and 2023, the Foundation had received notification of outstanding bequest intentions and certain conditional promises to give of approximately \$295,000 and \$579,000, respectively. These intentions and conditional promises are not recognized as assets and, if received, will generally be restricted for specific purposes stipulated by the donors, primarily endowments for faculty support, scholarships, or general operating support for a particular department or division of the Foundation.

At December 31, 2024 and 2023, the Foundation had remaining available contributions for sponsored projects of approximately \$887,000 and \$1,879,000, respectively. These award balances are recorded as refundable contribution advances in the statement of financial position and will be recognized as contributions as the projects progress and conditions are met, generally as projects are deployed.

11. Functional Expenses:

The Foundation provides various programs and other activities to clients across the Asia-Pacific region and Latin America. Accordingly, certain costs have been allocated among the programs and supporting services benefited as follows:

2024					
	Program	Management and General	Fundraising	Total Expenses	
Salaries and wages	\$ 229,956	\$ 20,893	\$ 13,203	\$ 264,052	
Employee benefits	28,387	1,522	1,610	31,519	
Supplies	1,309,271	7,718	-	1,316,989	
Purchased services	820,460	198,094	159,148	1,177,702	
Shipping	227,610	-	-	227,610	
Rent	22,686	67,236	-	89,922	
Travel	250,515	-	14,978	265,493	
Marketing	11,569	-	41,544	53,113	
Depreciation	5,155	2,483	-	7,638	
Utilities	5,197	2,296	-	7,493	
Other	170,475	93,937	39,958	304,370	
Total expenses	\$ 3,081,281	\$ 394,179	\$ 270,441	\$ 3,745,901	

Planet Water Foundation
Notes to Financial Statements (Continued)
Years Ended December 31, 2024 and 2023

11. Functional Expenses (continued):

	2023			
	Program	Management and General	Fundraising	Total Expenses
Salaries and wages	\$ 211,009	\$ 19,224	\$ 12,118	\$ 242,351
Employee benefits	26,226	2,671	1,527	30,424
Supplies	1,794,945	5,992	-	1,800,937
Purchased services	818,921	179,543	139,148	1,137,612
Shipping	307,822	-	-	307,822
Rent	15,127	67,236	-	82,363
Travel	246,353	-	756	247,109
Marketing	24,947	-	2,033	26,980
Depreciation	5,291	3,856	-	9,147
Utilities	3,113	2,015	-	5,128
Other	204,810	56,962	38,410	300,182
Total expenses	\$ 3,658,564	\$ 337,499	\$ 193,992	\$ 4,190,055

The financial statements report certain categories of expenses that are attributable to program, fundraising, or management and general. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, employee benefits, purchased services, and other expenses, which are allocated on the basis of estimates of time and effort.

12. Concentration of Risks:

Contributors – Approximately 24 percent of contributions were received from one donor during the year ended December 31, 2024. In 2023, another 47 percent was received from a separate donor.

Credit risk – The Foundation maintains its cash balance with a local bank. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At various times during the year and at year end, the Foundation did have deposits in excess of FDIC coverage. The Foundation has not experienced any losses in cash balances and management does not believe it is exposed to any significant credit risk.

Insurance coverage – The Foundation is currently not able to purchase general liability insurance due to its nature of operations in multiple countries. The present situation does not reflect any record of unfavorable claim experience or perceived future exposure. Historical claim losses have been negligible. Continuation of efforts to obtain additional risk-transfer insurance coverage is being made. If the Foundation is unable to secure adequate insurance coverages, costs resulting from any noninsured losses will be charged against income upon occurrence.

Planet Water Foundation
Notes to Financial Statements (Continued)
Years Ended December 31, 2024 and 2023

12. Concentration of Risks (continued):

Operations outside of home country – Net assets outside of the United States consist of approximately \$751,000 and \$854,000 of inventory located in Asia as of December 31, 2024 and 2023, respectively. Approximately \$360,000 and \$447,000 of inventory is being shipped from China and Thailand to various countries outside the United States.