



## ANNUAL REPORT

2022

### Message from the CEO and Founder

I have always been proud to be the CEO of Water For A Village, but never more so than this year. One of our values is bravery and 2022 demanded that we exercise it liberally in order to carry out our mission of providing clean fresh water to villages in Ethiopia.

Prior to this year's building season, the Board worked hard to create a solid risk management plan to contend with the civil war and the pandemic and that allowed our project work to go ahead relatively smoothly. Our in-country presence was met with enormous appreciation from our end-users and from the municipalities who had been without funding for capital works for two years. I extend my appreciation to the Board for creating an environment that adhered to ACFID principles, abided by our values, and preserved the safety of personnel and assets whilst we conducted our core business of building improved water sources.

Because our international borders did not open until May, the start to this year's building season was unusually late so in addition to difficulties in procuring fuel and some materials, we also had to contend with the rapidly advancing wet season, torrential rain, ankle deep mud, washed out roads and limited access to our sites. The Ethiopian crew members were exemplary and worked incredibly hard and with great commitment to make the programme happen and to further the health of their people.

This year we built or fully renovated 42 improved water sources – this brings us to a total of 100 since our inception in 2014. These sites supply 41,000 people with water - water that promotes the health of everyone but especially children, assists children to receive an education and restores a little dignity. This is a magnificent achievement for an organization that is funded almost entirely by private donors and overseen by a voluntary Board of professionals.

And to our donors - thank you so much. I am humbled and honoured to be entrusted with your contributions that allow us to conduct on your behalf, activities that bring life-changing water to children and their families.



## Message from the Chair

We like so many others have been faced with uncertain times in the past year - the Covid pandemic and its effect on the marginalised in society, the war raging in the north of Ethiopia, and the global economic problems effecting currency exchanges. This is all effecting the supply and price of materials, increases risks for the villages we serve, and impacts on our ability to continue providing much needed water supplies.

The wonderful thing about this organisation is the solid grass roots base, and its respectful foundation with the local people, contractors, community leaders and local government that form part of a sustainable model of delivering and maintaining water supplies that has been developed over many years.

Our incredible in-country manager Yalew and 'our force of nature' CEO had been communicating remotely throughout this time, planning projects so once safe to do so, activities could be safely continued. The Board and CEO worked closely to ensure safety was key to all involved both here and abroad, and once the borders opened Catherine and Yalew went to work installing and improving some 42 water sources.

This couldn't be done without the valued support of you our donors, who I assure that 100% of your donation goes directly into water projects with the flow on effect of providing much needed work for contractors and suppliers in these hard times. In addition, providing the water transforms lives with better health, education and positive long-term outcomes.

Thank you to our CEO, partners, donors, in-country team and the Board. On behalf of the Board we look forward to your continued support for another year with new and exciting challenges as we continue this life changing work together

Mark Abela  
President



### **Vision**

Clean water for everyone.

### **Mission**

Clean, fresh water – one village at a time.

### **Our activities on the ground**

In 2022 in conjunction with our end-users and the Water Offices, we coordinated, oversaw and financed the building or entire restoration of 42 improved water sources that included:

- 8 new tankers
- 17 new hand dug wells
- Extensive renovations to 15 broken wells and tankers
- Two large installations that collect water from springs, run it into 24m<sup>3</sup> tankers that then feed several collection points by gravity.

These improved water sources provided work for 36 contractors, around 650 local people and supply:

- 5 schools
- 1 health clinic
- approximately 21,000 people.

Due to the situation in-country, the CEO and her Ethiopian support crew based themselves in the city of Gondar and commuted daily to the nearby woredas of Koladiba, Meksagnit and Ambagiorgis. Water-borne diseases are prevalent in these areas and affect the health of children in particular. School teachers in Ambagiorgis told us that girls can lose one in three school days because they need to collect water for their family, and a further week every 6 to 8 weeks due to gastrointestinal infections from the water they drink, leaving them little time to gain an education.

The CEO and our Ethiopian manager worked closely with the senior staff at the Water Office in each woreda, the contractors, and our end-users (particularly women and girls) to ensure we were constructing a fit-for-purpose installation that would provide a year-long supply of water. All labour was sourced from within the local community and the work was conducted by local contractors.

This year saw a number of changes to our practice in order to further improve quality, enhance ownership, reduce costs and promote the sustainability of the improved water sources we install. These changes included the engagement of female contractors (now



they are being trained) whose work was outstanding; and the screening of samples from each new installation for quality indicators, heavy metals and coliforms to ensure the delivery of a quality product.

A pivotal change we made was in purchasing our own materials and hardware and transporting them to storage areas in each woreda from where the councils oversaw their distribution to the contractors we had engaged. Previously, each contractor had purchased the materials they required themselves. This strategy improved our buying power and decreased wastage as any surplus can be stored for the following year.

Effective caretaking of the sites provides a massive opportunity to improve our service delivery by promoting their longevity while poor caretaking quickly results in damaged and non-functional sites. We recruited female caretakers for almost all of our new sites, each of whom has been educated in her role and has her own bank account into which an allowance is paid on a monthly basis. Although a little unconventional, this was agreed to be an acceptable and appropriate approach by the end-users and woredas. While men have traditionally taken care of the sites, they spend little time in the village as they need to walk to the market, attend to animals and look after crops. Women on the other hand, are responsible for queuing for, collecting and carrying water; they understand the benefits of clean water to their children; are the primary carers of children and nurse them through illness; benefit immensely from a conveniently placed water source; and are less likely to leave the village on a daily basis. In short, they have a greater interest in ensuring their water source remains functional and in good repair.

We also encouraged and financed the Water Office in Ambagiorgis to undertake two very large projects in a style they had not completed before. In both, water is sequestered from springs, piped downhill into a 24m<sup>3</sup> tanker before being piped downhill to collection points. One installation feeds four collection points over 2km while the other supplies a village, a school and a health clinic over 1.8km. On their completion, the CEO organized a field trip for four contractors and two engineers from the Meksagnit Water Office to tour the sites and share information with a view to them conducting a similar project next year in a similar area. It is the first time this sort of project had been undertaken in the woreda.

It has truly been an amazing year in which our donors through WFAV created real change for thousands of people, improving health, creating education opportunities and restoring a little dignity.



## Financial report

**WATER FOR A VILLAGE INC  
STATEMENT OF REVENUE & EXPENDITURE  
FOR THE YEAR ENDED 30 JUNE 2022**

	2022	2021
	\$	\$
<b>REVENUE</b>		
<i>Donations &amp; Gifts</i>		
Monetary Donations - General	101,021	70,785
Monetary Donations - Administration costs	9,488	-
Monetary Donations - Other	12,911	-
Other Income - Interest	574	22
	<u>123,994</u>	<u>70,807</u>
<b>EXPENDITURE</b>		
<i>International Programs</i>		
Well Expenses	166,211	18,000
Water quality tests	762	-
<i>Administration &amp; Accountability</i>		
Insurance	2,505	2,612
Membership Fees ACFID	1,983	1,925
Advertising	-	10
Bank Fees	40	22
	<u>171,501</u>	<u>22,569</u>
<b>Excess/(Shortfall) of Revenue over Expenditure</b>	<u>(47,507)</u>	<u>48,238</u>

*The accompanying note forms part of these financial statements*



**WATER FOR A VILLAGE INC  
BALANCE SHEET  
AS AT 30 JUNE 2022**

	2022	2021
	\$	\$
<b><u>EQUITY</u></b>		
<b><u>Retained Income</u></b>		
Opening Balance as at 1st July	108,389	60,151
Net Surplus/(Deficit) for the Year	<u>(47,507)</u>	<u>48,238</u>
Retained Income	<u>60,882</u>	<u>108,389</u>
 <b><i>Represented by:</i></b>		
<b><u>CURRENT ASSETS</u></b>		
<i>Cash &amp; Cash Equivalents</i>		
Westpac - Working account #1	19,000	98,000
Westpac - Working account #2	17,286	-
Westpac - Working account #3	10,000	-
Westpac - Working account #4	19,600	-
Westpac - Well No 1	-	2,444
Westpac - Well No 2	-	7,945
Commercial Bank of Ethiopia	19,596	-
 <b><u>CURRENT LIABILITIES</u></b>		
<i>Other Financial Liabilities</i>		
Donations received in advance	(24,600)	-
Total Current Assets	<u>60,882</u>	<u>108,389</u>
<b>NET ASSETS</b>	<u>60,882</u>	<u>108,389</u>

*The accompanying note forms part of these financial statements*



**WATER FOR A VILLAGE INC  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 1 – Summary of Significant Accounting Policies**

The financial statements have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID website at [www.acfid.asn.au](http://www.acfid.asn.au)

This financial report is a special purpose financial report prepared in order to satisfy the reporting requirements of the Australian Charities and Not-for-Profits Commission Act 2012. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on a cash basis and is based on historic costs.

The financial report has been prepared in accordance with a special purpose framework in order to meet the needs of the association's members and ACFID requirements. As such, the financial report may not be suitable for any other purpose.

**Income Tax**

The Association is not subject to income tax on its profit.



**WATER FOR A VILLAGE INC**

**STATEMENT BY MEMBERS OF THE COMMITTEE**

The committee has determined that the Association is not a reporting entity. The committee has determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee, the attached financial report:

1. Presents a true and fair view of the financial position of Water For A Village Inc as at 30 June 2022 and of its performance for the year ended on that date, and
2. At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

A handwritten signature in black ink, appearing to be 'M. M. M.', is written over a dotted line.

.....  
President

22 September 2022





## **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF WATER FOR A VILLAGE INC ABN: 61 484 105 568**

### **Opinion**

We have audited the special purpose financial report of Water For A Village Inc (the Entity), which comprises the balance sheet as at 30 June 2022, the profit and loss statement for the year then ended and notes comprising a summary of significant accounting policies and other explanatory notes.

In our opinion, except for the matter referred to in the Basis for Opinion paragraph below, the financial report of Water For A Village Inc has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012, including:

1. a) giving a true and fair view of the registered entity's financial position as at 30 June 2022, and of its financial performance for the year ended on that date; and
2. b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the Australian Charities and Not-for-profits Commission Regulation 2013.

### **Basis for Opinion**

As is common for organisations of this type, it is not practicable for Water For A Village Inc to maintain an effective system of internal control over fundraising and cash receipts until their initial entry into the accounting records. Accordingly, our audit in relation to fundraising and cash receipts was limited to the amounts recorded. Operations of the entity are carried out in a country where many suppliers and contractors operate informally. It is not possible to obtain supporting documentation for all payments and our audit in relation to well expenses was limited to bank payment records.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The special purpose financial report has been prepared for the purpose of fulfilling the responsible entities' financial reporting responsibilities under the ACNC Act. As a result, the



financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibility of the Responsible Entities for the Financial Report**

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible entities are responsible for assessing the registered entities ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are



inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Michael Ian Derbyshire Director**

26 September 2022

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