SPLASH INTERNATIONAL AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2025 AND 2024

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Splash International and Subsidiaries
Seattle, Washington

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Splash International and Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the financial position of Splash International and Subsidiaries, as of December 31, 2025 and 2024, 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 Splash International and Subsidiaries 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Splash International and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated 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 consolidated 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 consolidated 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 Splash International and Subsidiaries' 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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Splash International and Subsidiaries' 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Boston, Massachusetts
May 17, 2026

SPLASH INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 3,885,991	$ 3,667,243
Grants and Pledges Receivable, Current Portion	572,885	495,159
WASH Systems and Supplies	241,122	304,740
Other Receivables, Current Portion	9,358	52,537
Advances to Programmatic Partners	2,024	61,535
Prepaid and Other Current Assets	139,579	56,951
Total Current Assets	4,850,959	4,638,165
OTHER ASSETS		
Grants and Pledges Receivable, Net of Current Portion and Discount	-	250,000
Property and Equipment, Net of Depreciation	56,476	59,444
Total Other Assets	56,476	309,444
Total Assets	$ 4,907,435	$ 4,947,609
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	$ 189,489	$ 147,938
Accrued Expenses	346,732	263,192
Refundable Grant Payable	-	250,000
Total Current Liabilities	536,221	661,130
NET ASSETS		
Without Donor Restrictions	1,510,462	1,549,114
With Donor Restrictions	2,860,752	2,737,365
Total Net Assets	4,371,214	4,286,479
Total Liabilities and Net Assets	$ 4,907,435	$ 4,947,609

See accompanying Notes to Consolidated Financial Statements.

SPLASH INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions and Grants	$ 1,038,845	$ 4,534,920	$ 5,573,765
Contributed Nonfinancial Assets	37,446	-	37,446
Special Events Revenue, Net of Expenses	142,764	-	142,764
Interest and Other Income	31,229	-	31,229
Contributed Assets Released from Restrictions	58,320	(58,320)	-
Net Assets Released from Restrictions	4,353,213	(4,353,213)	-
Total Revenue and Support	5,661,817	123,387	5,785,204
EXPENSES			
Program Services	4,047,914	-	4,047,914
Management and General	684,206	-	684,206
Fundraising	968,349	-	968,349
Total Expenses	5,700,469	-	5,700,469
CHANGE IN NET ASSETS	(38,652)	123,387	84,735
Net Assets - Beginning of Year	1,549,114	2,737,365	4,286,479
NET ASSETS - END OF YEAR	$ 1,510,462	$ 2,860,752	$ 4,371,214

See accompanying Notes to Consolidated Financial Statements.

SPLASH INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions and Grants	$ 611,457	$ 5,648,514	$ 6,259,971
Contributed Nonfinancial Assets	42,930	-	42,930
Special Events Revenue, Net of Expenses	136,052	-	136,052
Interest and Other Income	24,605	-	24,605
Contributed Assets Released from Restrictions	77,760	(77,760)	-
Net Assets Released from Restrictions	5,474,866	(5,474,866)	-
Total Revenue and Support	6,367,670	95,888	6,463,558
EXPENSES			
Program Services	5,247,832	-	5,247,832
Management and General	421,023	-	421,023
Fundraising	821,337	-	821,337
Total Expenses	6,490,192	-	6,490,192
CHANGE IN NET ASSETS	(122,522)	95,888	(26,634)
Net Assets - Beginning of Year	1,671,636	2,641,477	4,313,113
NET ASSETS - END OF YEAR	$ 1,549,114	$ 2,737,365	$ 4,286,479

See accompanying Notes to Consolidated Financial Statements.

SPLASH INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Program Services	Management and General	Fundraising	Total
Compensation and Related Expenses	$ 2,002,309	$ 384,808	$ 559,904	$ 2,947,021
WASH Implementation	1,171,202	-	-	1,171,202
Programmatic Partner Fees	213,133	-	-	213,133
Other Professional Fees	220,719	191,661	226,275	638,655
Other	45,415	9,509	30,573	85,497
IT and Communication	108,158	19,532	42,958	170,648
Travel and Meetings	179,838	73,300	87,710	340,848
Occupancy	37,276	2,464	3,586	43,326
Office and Supplies	8,576	2,932	4,216	15,724
Contributed Licenses and Training	58,320	-	37,446	95,766
Depreciation	2,968	-	-	2,968
Total Expenses by Function	4,047,914	684,206	992,668	5,724,788
Less: Special Events	-	-	(24,319)	(24,319)
Total Expenses, Net	$ 4,047,914	$ 684,206	$ 968,349	$ 5,700,469

See accompanying Notes to Consolidated Financial Statements.

SPLASH INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program Services	Management and General	Fundraising	Total
Compensation and Related Expenses	$ 2,284,920	$ 302,077	$ 551,297	$ 3,138,294
WASH Implementation	1,130,606	-	-	1,130,606
Programmatic Partner Fees	1,026,147	-	-	1,026,147
Other Professional Fees	257,288	9,935	121,242	388,465
Other	250,131	1,836	26,987	278,954
IT and Communication	105,466	4,693	15,263	125,422
Travel and Meetings	99,324	23,155	70,508	192,987
Occupancy	75,598	962	1,334	77,894
Office and Supplies	15,118	605	8,541	24,264
Contributed Licenses and Training	-	77,760	42,933	120,693
Depreciation	3,234	-	-	3,234
Total Expenses by Function	5,247,832	421,023	838,105	6,506,960
Less: Special Events	-	-	(16,768)	(16,768)
Total Expenses, Net	$ 5,247,832	$ 421,023	$ 821,337	$ 6,490,192

See accompanying Notes to Consolidated Financial Statements.

SPLASH INTERNATIONAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 84,735	$ (26,634)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided (Used) by Operating Activities:		
Depreciation	2,968	3,234
Amortization of Right of Use Asset	-	(9)
Forgiveness of Refundable Advance	(250,000)	-
Change in Present Value Discount on Grants and Contributions	15,761	(15,761)
(Increase) Decrease in Assets:		
Accounts Receivable	43,179	91,307
Grants and Pledges Receivable	156,513	(29,778)
WASH Systems and Supplies	63,618	106,556
Deposit on Equipment and Materials	-	26,500
Advances to Programmatic Partners	59,511	(26,643)
Prepaid and Other Current Assets	(61,613)	38,149
Increase (Decrease) in Liabilities:		
Accounts Payable	41,551	79,581
Accrued Expenses and Other Liabilities	83,540	(222,322)
Deferred Revenue	-	(800,000)
Net Cash Provided (Used) by Operating Activities	239,763	(775,820)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	-	(30,480)
Purchases of Patents	(21,015)	-
Net Cash Used by Investing Activities	(21,015)	(30,480)
CHANGE IN CASH AND CASH EQUIVALENTS	218,748	(806,300)
Cash and Cash Equivalents - Beginning of Year	3,667,243	4,473,543
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 3,885,991	$ 3,667,243

See accompanying Notes to Consolidated Financial Statements.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The mission of Splash International and Subsidiaries (SI) is to ensure clean water for kids. Splash delivers improved water, sanitation, and hygiene (WASH) infrastructure, WASH behavior change programs, and strengthened school-based menstrual health programs in partnership with governments in some of the largest, low resource cities in Asia and Africa. Splash focuses on child-serving institutions including schools, orphanages, shelters, and hospitals to help kids lead healthier lives. Since 2007, Splash has completed over 2,400 projects across Bangladesh, Cambodia, China, Ethiopia, India, Nepal, Thailand and Vietnam, serving more than 1,060,000 children (unaudited).

In June 2018 and January 2019, respectively, Splash formed Splash Social Enterprises LLC (SSE) and SSE Water Solutions Private Ltd (SSEWS), with Splash as the sole member of SSE and the controlling member of SSEWS. Both entities are social enterprises that allow Splash to expand its impact by selling Splash’s patented drinking and handwashing stations to nonprofit and government customers. These innovative, durable, and unique stations are designed for use in institutional settings around the world.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Splash, SSE and SSEWS (collectively, the Organization) after elimination of inter-entity accounts and activity.

Basis of Presentation

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting under accounting principles generally accepted in the United States of America (U.S. GAAP).

Net assets and revenue, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

> *Net Assets Without Donor Restrictions* – Net assets that are not subject to donor-imposed stipulations.
>
> *Net Assets With Donor Restrictions* – Net assets subject to donor-imposed stipulations that will be met by actions of the Organization and/or through the passage of time.

Revenue is reported as an increase in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on the sale of assets are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Expirations of net assets with donor restrictions (i.e., the donor stipulated purpose has been fulfilled or the stipulated time period has lapsed) are reported as reclassifications between the applicable classes of net assets.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

Revenue is recognized when earned. System sales are recognized on a unit rate basis at the point in time that the sales occurred. There are no contract assets or liabilities related to system sales.

Grants and Pledges Receivable

Unconditional pledges receivable that are expected to be collected within one year are recorded at net realizable value. Unconditional pledges receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

Grants receivables are stated at the amount management expects to realize from outstanding balances. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to grants and pledges receivable. A valuation allowance was not deemed necessary at December 31, 2025 and 2024 based on management’s review.

Allowance for Credit Losses

The Organization establishes an allowance for credit losses to present the net amount of accounts receivable expected to be collected. The allowance represents the estimate of expected credit losses based on historical experience, current economic conditions, and certain forward-looking information. Management determined that the allowance for credit losses was insignificant as of December 31, 2025 and 2024, and there was no material activity related to the allowance for credit losses during each year.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Conditional Promises to Give

Conditional promises to give are recognized as revenue only when the conditions upon which they depend are met. Outstanding conditional promises to give totaled $36,375,000 and $375,000 as of December 31, 2025 and 2024, respectively, and are intended to be used for WASH implementation. The outstanding conditional pledges are expected to be recognized as revenue during the next year.

WASH Systems and Supplies

The Organization holds WASH systems and related hardware in warehouses in Ethiopia, China and India. These are reported on the consolidated statements of financial position at cost and are expensed upon installation on a first-in, first-out out basis. WASH systems and supplies are assessed for impaired value annually, and management has determined no impairment existed as of December 31, 2025 and 2024.

Other Receivables

Other receivables consist of donated software licenses, training vouchers and miscellaneous receivables. The software licenses are for terms of two to three years, and the training vouchers may be used as desired.

Advances to Programmatic Partners

Advances to programmatic partners consist of cash advanced to project partners, generally located overseas, to fund WASH implementation projects.

Property, Equipment, and Depreciation

All acquisitions of furniture, fixtures and equipment in excess of $5,000 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets ranging from three to five years.

Intangible Assets

As of December 31, 2025 and 2024, the Organization had capitalized patent and intellectual property costs of $33,514 and $13,886, respectively, which are included in prepaid and other current assets in the accompanying consolidated statements of financial position. These assets primarily relate to ongoing patent applications and design registrations associated with the Organization’s handwashing infrastructure systems. As these intellectual property activities remained under development or review during 2025 and 2024, no material amortization expense was recognized during 2025 or 2024. Amortization expense for the next five years is expected to total approximately $6,000 annually for these assets.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Organization determines if an arrangement is a lease at inception. Right of Use (ROU) assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right-of-use assets on the consolidated statements of financial position. For the years ended December 31, 2025 and 2024, there were no ROU assets or lease liabilities.

Total lease expense was $31,424 and $60,560 for the years ended December 31, 2025 and 2024, respectively.

Contributed Nonfinancial Assets

The Organization recognizes contributions of goods and services at fair value on the date received. The Organization recognizes donated services if the services received (a) create or enhance nonfinancial assets, or (b) require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not donated. Software licenses, training and consulting services are valued based on prices typically charged by the donors to commercial customers. Goods and supplies are valued based on retail prices for the same or similar items. Multiple year software licenses and training are recognized as contribution revenue in the year committed as contributions with donor restrictions. The value of the future use of these licenses and training is included on the consolidated statements of financial position with grants and pledges receivable and totaled $-0- and $58,320 as of December 31, 2025 and 2024, respectively (Note 4).

Contributed nonfinancial assets (in-kind goods and services) are included in contributions and grants on the consolidated statements of activities. The corresponding expenses are recorded as program expenses on the consolidated statement of functional expenses.

Contributed nonfinancial assets were recognized as contributions as follows for the years ended December 31:

	Revenue Recognized 2025	Revenue Recognized 2024	Program or Supporting Activity	Valuation Technique
Donated advertising service	$ 37,446	$ 42,930	Fundraising	Estimated fair value from service provider

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Tax Status

The Internal Revenue Service has determined that Splash is exempt from U.S. federal income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. SSE is a disregarded entity for federal tax purposes. SSEWS is subject to taxation laws in India.

Foreign Currency Translation

The functional currency of the Organization's field offices is the local currency in which each office is located. Substantially all assets and liabilities of the overseas offices have been translated into U.S. dollars at year-end exchange rates. Revenues and expenses have been translated at average monthly exchange rates. Translation adjustments totaled net gains of $9,009 for the year ended December 31, 2025 and net losses of $145,942 for the year ended December 31, 2024.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and changes in net assets and the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on the number of employees working in each department. Expenses related to headquarters staff who serve multiple functions are allocated based on estimates of time spent on various programs, fundraising and other.

Vulnerability From Certain Concentrations

Financial instruments that potentially subject the Organization to concentrations of credit federally insured limits during the years ended December 31, 2025 and 2024. Cash held in foreign countries totaled $103,867 and $43,201 as of December 31, 2025 and 2024, respectively. Repatriation of funds restrictions may exist in a small number of foreign currency accounts. The Organization has not experienced any losses in such accounts and closely monitors its cash and cash equivalents.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Vulnerability From Certain Concentrations (Continued)

For the years ended December 31, 2025 and 2024, 72% of contributions and grants were from one donor and 79% of grants and contributions were from three donors, respectively.

Additionally, as of December 31, 2025, 96% of outstanding grants and pledges receivable were from two donors, and, as of December 31, 2024, 87% of outstanding grants and pledges receivable were from three donors.

Subsequent Events

The Organization has evaluated subsequent events through May 17, 2026, the date the consolidated financial statements were available to be issued.

NOTE 2 GRANTS AND PLEDGES RECEIVABLE, NET

Grants and pledges receivable consist of the following as of December 31:

	2025	2024
Due in Less Than One Year	$ 572,885	$ 510,920
Due in Two to Five Years	-	250,000
Total	572,885	760,920
Less: Discount to Present Value (0.39% to 1.55%)	-	(15,761)
Grants and Pledges Receivable, Net	$ 572,885	$ 745,159

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31:

	2025		2024
Vehicles	$ 73,012		$ 77,700
Computer Hardware	45,000		45,000
Equipment	30,480		30,480
Furniture and Fixtures	5,136		5,136
Total	153,628		158,316
Less: Accumulated Depreciation	(97,152)		(98,872)
Property and Equipment, Net	$ 56,476	-	$ 59,444

NOTE 4 SPECIAL EVENT REVENUE

The Organization held golf tournaments during 2025 and 2024 to raise funds for the Organization. Net special events revenue, as reported on the consolidated statement, of activities consists of the following as of December 31:

	2025	2024
Gross Special Event Revenue	$ 167,083	152,820
Less: Direct Benefit per Person	(24,319)	(16,768)
Net Special Event Revenue	$ 142,764	$ 136,052

NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of contributions restricted by donors for specific purposes and/or for specific time periods and donated software licenses that will be used in future years. The release of net assets with donor restrictions for the year ended December 31, 2025 totaled $4,053,213 released for specific purposes, $300,000 released for time restricted pledges, and $58,320 for the use of software licenses. The release of net assets with donor restrictions for the year ended December 31, 2024 totaled $5,187,266 released for specific purposes, $287,600 released for time restricted pledges, and $77,760 for the use of software licenses.

Net assets with donor restrictions are available for projects in the following countries or are restricted for time as of December 31:

	2025	2024
Subject to Expenditure for Specified Purpose:		
Ethiopia	$ 108,663	$ 1,193,954
Multiple Countries	2,502,089	915,054
United States	-	85,798
Total	2,610,752	2,194,806
Subject to the Passage of Time:		
Pledges	250,000	484,239
Software Licenses	-	58,320
Total	250,000	542,559
Total Net Assets With Donor Restrictions	$ 2,860,752	$ 2,737,365

NOTE 6 COMMITMENTS AND CONTINGENCIES

Recoverable Grant Payable

During 2022, the Organization received a recoverable grant in the amount of $250,000 from a third party. The Organization may utilize the funding for specific program purposes, and full repayment of the grant was due in full on August 1, 2025. The recoverable grant payable was unsecured and did not bear interest. On January 24, 2025, the grant agreement was amended to forgive the grant payable. The forgiveness of the grant payable was recorded as a contribution for the year ended December 31, 2025.

NOTE 6 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Other Commitments and Contingencies

The Organization has noncancelable contracts of up to two years with employees in certain countries. If the contracts are terminated before expiration and without cause, the Organization is obligated to pay the compensation remaining on the contracts. The Organization has estimated severance pay which is included on the consolidated statements of financial position in accounts payable and accrued expenses.

Under the terms of certain grant agreements, funds the Organization receives are subject to audits by the grantors, and funds not spent in accordance with the intent of the agreements may be recoverable by the grantors. In the opinion of management, the Organization's liability, if any, resulting from such claims will not materially affect the Organization's financial position or the results of its activities.

Occasionally, the Organization may be involved in claims arising in the normal course of business. Management believes that uninsured costs that may be incurred in the settlement of such claims would not be material to the Organization's financial position.

NOTE 7 RETIREMENT PLAN

Effective January 1, 2011, the Organization established a 401(k)-profit sharing plan (the Plan). U.S. employees become eligible to participate in the Plan upon employment and when they have attained the age of 21 years.

Participants may contribute compensation up to the maximum amount allowed by law and are immediately vested in these contributions. The Plan provides for employer matching contributions of 100% of the first 3% of employee contributions. The matching contributions vest over two years. The Organization also provides various retirement plans for its local employees at offices outside of the U.S. The plans vary by country.

The Organization made matching contributions to all the retirement plans totaling $95,766 and $124,530 for the years ended December 31, 2025 and 2024, respectively.

NOTE 8 EXPENSES BY COUNTRY

The Organization incurred program expenses in the following countries for the years ended December 31:

	2025	2024
Ethiopia	$ 836,024	$ 3,374,101
United States	2,950,802	1,685,580
Zambia	113,844	-
India	102,147	153,333
Nepal	9,960	11,495
China	24,713	8,125
Cambodia	10,424	15,198
Total Program Expenses by Country	$ 4,047,914	$ 5,247,832

NOTE 9 AVAILABILITY AND LIQUIDITY OF FINANCIAL ASSETS

The Organization's financial assets for general expenditure available within one year of the consolidated statements of financial position date are as follows as of December 31:

	2025	2024
Cash and Cash Equivalents	$ 3,885,991	$ 3,667,243
Grants and Pledges Receivable, Net	572,885	745,159
Other Receivables	9,358	52,537
Total Financial Assets	4,468,234	4,464,939
Less: Noncash Receivables	-	(52,537)
Less: Donor-Restricted for Specific Purposes and Time Restricted and Long-Term Pledges	(2,860,752)	(2,737,365)
Financial Assets Available to Meet Cash Needs for General Expenditure Within One Year	$ 1,607,482	$ 1,675,037

As part of the Organization's liquidity management, it actively engages its Board, partners, and cultivates prospective donors to generate financial assets and build reserves for general expenditures. Although the Organization can use the donor-restricted financial assets to conduct program activities, if the activities could not be fulfilled, the funds would need to be returned to the donors. The Organization has a number of active projects and can decrease spending to manage liquidity if a decrease in funding were to occur.

NOTE 10 INTER-ENTITY SALES ACTIVITY AND OTHER RELATED PARTY

Splash Social Enterprises LLC (SSE) and SSE Water Solutions Private Ltd (SSEWS) allow Splash International (SI) to expand its impact by selling SI's patented drinking and handwashing stations to nonprofit and government customers (Note 1). SSE and SSEWS also provide these patented drinking and handwashing stations to SI for use in its programs, primarily in Ethiopia (SSE) and India (SSEWS) at retail prices. The sales and cost of goods sold activity between SSE and SSEWS and SI is eliminated in consolidation.

NOTE 10 INTER-ENTITY SALES ACTIVITY AND OTHER RELATED (CONTINUED)

Revenue from the sale of Splash's patented drinking and handwashing stations is recognized at the point of sale by SSE and SSEWS, which is at the time the stations ship and SSE's and SSEWS' performance obligations are considered met. Product sales in 2025 and 2024 consisted entirely of inter-entity transactions and have been eliminated in consolidation.

Inventory purchased from SSE and SSEWS but held on hand at year-end by SI, including advance deposits paid by SI, are adjusted from retail prices to SSE's and SSEWS' cost and are included in WASH systems and supplies, and deposits on equipment and materials, on the consolidated statements of financial position. SI inventory and advance deposits valuation adjustments to SSE cost totaled $(51,815) and $43,677 as of December 31, 2025 and 2024, respectively.

When the purchased goods are used by SI in its program activities, the full retail price paid by SI is directly allocated to the applicable grants as program cost. The retail price is determined by SSE and SSEWS based on their wholesale cost of the stations, freight charges, and estimated overhead costs. Freight is charged by SSE to SI at the time the goods ship to Ethiopia. Freight is not charged separately by SSEWS to SI.

Sales and cost of goods sold activity between SSE and SSEWS and SI was as follows for the years ended December 31, 2025 and 2024:

	SSE	SSEWS	Total
December 31, 2025			
Sales and Cost of Goods Sold, Without Freight Charges:			
Retail Sales to SI	$ 3,854	$ -	$ 3,854
SSE and SSEWS Cost of Goods Sold	(3,679)	-	(3,679)
Total	$ 175	$ -	$ 175
	-		
Margin	5%	0%	5%
December 31, 2024			
Sales and Cost of Goods Sold, Without Freight Charges:			
Retail Sales to SI	$ 90,998	$ -	$ 90,998
SSE and SSEWS Cost of Goods Sold	(109,060)	-	(109,060)
Total	$ (18,062)	$ -	$ (18,062)
Margin	-20%	0%	-20%

Other Related Party

Splash India Trust (the Trust) was created in May 2018 for public charitable purposes. The Trust is affiliated with SI's mission; however, it is an independent entity and is not controlled by SI. There were no transactions between SI, SSE, SSEWS and the Trust during 2025 and 2024.