RAIN FOR THE SAHEL AND SAHARA, INC.
Financial Statements
For the Years Ended September 30, 2017 and 2016

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Financial Statements
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Murphy, Powers & Wilson
Certified Public Accountants, P.C.

Michael J. Murphy, CPA
Daniel E. Wilson, CPA
William R. Powers, CPA (Retired)

ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors of
Rain for the Sahel and Sahara, Inc.

Management is responsible for the accompanying financial statements of Rain for the Sahel and Sahara, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The September 30, 2017 supplementary information contained in the accompanying schedule of functional expense percentages is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

The financial statements of Rain for the Sahel and Sahara, Inc. as of September 30, 2016, were reviewed by other accountants who stated that based on their procedures they are not aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America in their report dated January 10, 2018. In addition, the September 30, 2016 supplementary information contained in the schedule of functional expense percentages was reviewed by other accountants. They have not performed any procedures in connection with that review engagement since that date.

We are not independent with respect to Rain for the Sahel and Sahara, Inc.

Murphy, Powers & Wilson
Certified Public Accountants, P.C.

Hampton, New Hampshire
July 13, 2018

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RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2017 and 2016
(See Accountant's Compilation Report)

ASSETS

	2017 (Compilation)	2016 (Review)
CURRENT ASSETS		
Cash and cash equivalents (Note 1)	$ 52,894	$ 71,439
Prepaid expenses	2,347	520
Pledges receivables	27,000	0
Bequest receivable (Note 1)	15,000	45,000
Total current assets	97,241	116,959
PROPERTY AND EQUIPMENT, net (Note 1)		
Land and building	87,762	87,762
Office and other equipment	2,342	2,342
Vehicles	14,726	26,978
	104,830	117,082
Accumulated depreciation	-13,673	-25,402
Total property and equipment, net	91,157	91,680
OTHER ASSETS		
Intangible assets, net	185	1,193
Total other assets	185	1,193
TOTAL ASSETS	$188,583	$209,832

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	$ 1,468	$ 1,934
Accrued expenses	3,596	2,748
Total current liabilities	5,064	4,682
NET ASSETS		
Unrestricted net assets	183,519	205,150
Total net assets	183,519	205,150
TOTAL LIABILITIES AND NET ASSETS	$188,583	$209,832

See notes to financial statements.

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017
(See Accountant's Compilation Report)

2017
(Compilation)

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
REVENUE AND SUPPORT			
Grants	$ 89,000	$ 26,988	$115,988
Fundraising events	2,827	-	2,827
Contributions	204,748	-	204,748
Sale of Niger goods	5,298	-	5,298
Gain on sale of vehicle	2,458		2,458
Interest income	2	-	2
Total revenue and support	304,333	26,988	331,321
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program restrictions	26,988	-26,988	-
Total revenue and support and net assets released	331,321	-	331,321
EXPENSES			
Programs			
Food and water security	70,878	-	70,878
Education	191,554	-	191,554
Total program expenses	262,432	-	262,432
Management and general expenses	50,678	-	50,678
Fundraising expenses	37,898	-	37,898
Total expenses	351,008	-	351,008
Change in net assets	-19,687	-	-19,687
Net assets, beginning	205,150	-	205,150
Realized loss on foreign currency exchange	-1,944	-	-1,944
Net assets, ending	$183,519	$ -	$183,519

See notes to financial statements.

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2016
(See Accountant's Compilation Report)

2016
(Review)

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
REVENUE AND SUPPORT			
Grants	$ 81,000	$ 29,958	$110,958
Fundraising events	35,666	-	35,666
Contributions	144,036	-	144,036
Sale of Niger goods	2,887	-	2,887
Interest income	1	-	1
Total revenue and support	263,590	29,958	293,548
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program restrictions	109,771	-109,771	-
Total revenue and support and net assets released	373,361	-79,813	293,548
EXPENSES			
Programs			
Food and water security	88,007	-	88,007
Education	191,303	-	191,303
Women's artisan cooperatives	6,997	-	6,997
Total program expenses	286,307	-	286,307
Management and general expenses	32,619	-	32,619
Fundraising expenses	56,118	-	56,118
Total expenses	375,044	-	375,044
Change in net assets	-1,683	-79,813	-81,496
Net assets, beginning	208,936	79,813	288,749
Realized loss on foreign currency exchange	-2,103	-	-2,103
Net assets, ending	$205,150	$ -	$205,150

See notes to financial statements.

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2017
(See Accountant's Compilation Report)

2017
(Compilation)

	FOOD & WATER SECURITY	ACCESS TO EDUCATION	AGADEZ LIVING & LEARNING CENTER	TOTAL PROGRAM	MANAGEMENT AND GENERAL EXPENSES	FUND RAISING EXPENSES	TOTAL
Salaries and labor	$45,563	$62,538	$52,662	$160,763	$24,305	$20,964	$206,032
Office expense	1,192	1,386	4,669	7,247	3,203	6,075	16,525
Payroll taxes and benefits	3,753	5,457	5,155	14,365	2,575	1,821	18,761
Fundraising events expense	0	0	0	0	0	4,483	4,483
Professional fees	622	622	622	1,866	7,464	0	9,330
Well expense	445	0	0	445	0	0	445
Utilities	587	741	1,957	3,285	1,513	0	4,798
Rent	2,069	1,908	2,629	6,606	9,479	0	16,085
Depreciation and amortization	3,233	1,752	1,752	6,737	0	0	6,737
School market gardens	3,221	0	0	3,221	0	0	3,221
Mentoring and tutoring	0	10,770	3,018	13,788	0	0	13,788
Food and school supplies	0	245	10,852	11,097	0	0	11,097
Auto expenses	2,345	2,153	472	4,970	0	0	4,970
Scholarships	0	0	1,366	1,366	0	0	1,366
Travel and meals	7,663	9,310	9,267	26,240	108	3,763	30,111
Cost of Niger goods	0	0	0	0	0	792	792
Insurance	185	185	66	436	2,031	0	2,467
	$70,878	$97,067	$94,487	$262,432	$50,678	$37,898	$351,008

See notes to financial statements

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2016
(See Accountant's Compilation Report)

2016
(Review)

	FOOD & WATER SECURITY	ACCESS TO EDUCATION	AGADEZ LIVING & LEARNING CENTER	WOMEN'S ARTISAN COOPERATIVES	TOTAL PROGRAM	MANAGEMENT AND GENERAL EXPENSES	FUND RAISING EXPENSES	TOTAL
Salaries and labor	$44,037	$55,424	$51,498	$0	$150,959	$16,943	$37,506	$205,408
Office expense	2,443	6,232	3,964	414	13,053	6,400	8,936	28,389
Payroll taxes and benefits	2,200	4,169	4,165	2	10,536	2,049	3,984	16,569
Training and program development	0	624	0	575	1,199	310	920	2,429
Fundraising events expense	0	0	0	0	0	0	2,657	2,657
Professional fees	0	0	0	0	0	1,163		1,163
Well expense	10,580	0	0	0	10,580	0		10,580
Utilities	718	957	1,862	96	3,633	1,652	273	5,558
Rent	2,546	2,587	2,100	1,533	8,766	1,144	425	10,335
Depreciation and amortization	3,126	1,631	1,631	408	6,796	0		6,796
School market gardens	11,906	0	0	0	11,906	0		11,906
Mentoring and tutoring	0	24,022	2,157	2,061	28,240	0		28,240
Other expenses	378	1,163	98	753	2,392	0		2,392
Food and school supplies	3,110	402	5,997	0	9,509	0		9,509
Auto expenses	1,295	2,258	110	72	3,735	44		3,779
Scholarships	0	0	2,399	0	2,399	0		2,399
Travel and meals	5,668	10,727	4,773	1,083	22,251	114	405	22,770
Cost of Niger goods	0	0	0	0	0	0	1,012	1,012
Insurance	0	24	329	0	353	2,800		3,153
	$88,007	$110,220	$81,083	$6,997	$286,307	$32,619	$56,118	$375,044

See notes to financial statements.

RAIN FOR THE SAHEL AND SAHARA, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016
(See Accountant's Compilation Report)

	2017 (Compilation)	2016 (Review)
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$-19,687	$ -81,496
Adjustments to reconcile change in net assets to cash provided by (used) by operating activities		
Depreciation and amortization	6,737	6,796
Gain on sale of vehicle	-2,458	0
Cash held in escrow	0	112,500
(Increase) decrease in assets		
Bequest and pledges receivable	3,000	55,000
Prepaid expenses	-1,827	-85
Increase (decrease) in liabilities		
Accounts payable	-466	1,934
Accrued expenses	848	92
NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES	-13,853	94,741
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	-15,824	-13,431
Proceeds from sale of vehicle	13,076	0
NET CASH USED BY INVESTING ACTIVITIES	-2,748	-13,431
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on notes payable	0	-15,000
Loss on foreign currency exchange	-1,944	-2,103
NET CASH USED BY FINANCING ACTIVITIES	-1,944	-17,103
NET (DECREASE) INCREASE IN CASH	-18,545	64,207
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	71,439	7,232
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 52,894	$ 71,439

See notes to financial statements.

NOTE 1 NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Rain for the Sahel and Sahara, Inc. (RAIN) is a New Hampshire non-profit corporation incorporated in 2001. RAIN partners with rural and nomadic desert people of West Africa to enable enduring livelihoods through access to education. These locally rooted programs promote literacy and empowerment while sustaining nomadic traditions throughout the Sahel and Sahara.

Programs

To promote its mission, RAIN focuses on the following integrated programs.

Access to Education - Fewer than 15% of Niger's nomadic and rural children attend school. Girls who do enroll only remain for an average of 3 years. RAIN's mentoring and tutoring program increases school attendance and success. Unschooled community women volunteers encourage, counsel and advocate for girls and at-risk boys in primary through secondary schools. The women receive training in health, hygiene, gender roles and more – they become wise counselors to the students and greater community. They teach practical skills classes that often lead to future means to earn livelihoods. Mentored girls stay in school longer than their classmates. In recent years, we have seen the first girls ever graduating from our partner primary schools.

Agadez Learning Center for Tomorrow's Leaders - In December 2012, RAIN was gifted land and buildings in Agadez, Niger. This complex is the home of the Agadez Learning Center, where students from nomadic communities that offer no education beyond primary school have been awarded scholarships to attend grades 7-10. Students receive room, board, and tutoring as well as leadership and civic responsibility training, peer to peer tutoring, counseling, skills training and introductions to arts and cultures of the world. In the 2016-2017 school years, our students who had never been to a city, competed effectively with city students with most at or near the top of their classes. Graduating students may continue to high school and beyond or pursue vocational training.

Food and Water Security - Niger is ranked second to last in the world by the United Nations Human Development Index. Malnourishment and diseases contracted from contaminated water are rampant. To have true access to education, children must have adequate nutrition and good health. RAIN's food and water programs address these issues via Community Gardens where participants learn organic techniques, nutrition, hygiene and crop diversification; the food sustains their families and profits from cash crops sustain the gardens. Agriculture is a traditional livelihood that, with RAIN's help, is being tapped to support education as well as improving earnings for families most in need.

Income Generation Programs - In addition to income from gardens, RAIN works with mentors and other women in the community to establish Savings & Loans groups and "temoko" herding programs. Through training on the basics of financial literacy and entrepreneurship, these two programs set women up to be able to support themselves and their families. RAIN helps provide the initial materials needed but the programs are designed to be self-sustaining and to leave women with transferable skills that can help them provide for themselves in a changing economic landscape.

Method of Accounting and Revenue Recognition

The financial statements of RAIN have been prepared on the accrual basis of accounting. Revenue is derived from the following principal sources – contributions, grants, fundraising activities, and the sale of Niger goods. Contributions are recognized when received. Revenue from grants is recognized when the grant is awarded. Other revenue is recognized when earned.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in Accounting Standards Codification (ASC) Topic 958, Not-For-Profit Entities. RAIN is required to report

NOTE 1 continued
information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. A description of the three net asset categories follows.

Unrestricted net assets include the revenues and expenses associated with the principal operating mission of RAIN. It records as unrestricted contributions restricted contributions whose restrictions are met in the same reporting period. In 2017, RAIN received unrestricted grants and contributions from various individuals and the following grantors: Ivor and Barbara Freeman Fund of Combined Jewish Philanthropies, Dave Nikkel Foundation, Ethel Looram Foundation, and Hurlbut Johnson Trust. In 2016, RAIN received unrestricted grants and contributions from various individuals and the following grantors: Ivor and Barbara Freeman Fund of Combined Jewish Philanthropies, Hurlbut Johnson Trust, Dave Nikkel Foundation, Ethel Looram Foundation, and Mary H Rice Foundation.

Temporarily restricted net assets include gifts and grants for which donor or grantor imposed restrictions have not yet been met. Assets are released from restrictions as expenditures are made in line with the restrictions called for under the terms of the contribution or grant.

Permanently restricted net assets include gifts which require by donor restriction that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions. RAIN has no permanently restricted net assets.

Cash and Cash Equivalents
For purposes of the statements of cash flows, RAIN considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Program Advances
Program advances consist of funds forwarded to Rain staff for the purpose of implementing specific programs. Once the employee has spent the funds, a complete report is submitted with receipts to the New Hampshire office. The expenditure is then moved from a program advance to the appropriate category of program expenses.

Property and Equipment
Purchased assets are carried at cost, and donated assets are recorded based on their fair market values at the time of the donation. Major additions are included in the property accounts while maintenance and repairs which do not improve or extend the life of the assets are expensed currently. Depreciation is calculated using the straight-line method over the estimated useful lives of property and equipment. Depreciation expense for 2017 and 2016 was $5,729 and $3,972, respectively.

Bequests Receivable
The Organization has been notified that it is the beneficiary of an individual's estate. Bequest receivable, $15,000 and $45,000, respectively at September 30, 2017 and 2016, is based on management's best estimate and judgment of the amounts to be received by the estate. The amount that will be ultimately realized could differ materially from the amount recorded in the financial statements.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles 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.

NOTE 1 continued

Income Taxes

RAIN is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. As such, no tax provisions have been made in the accompanying financial statements.

RAIN has adopted provisions of the Financial Accounting Standards Board in Accounting Standards Codification (ASC) Topic 740-10. RAIN's policy is to evaluate all tax positions on an annual basis in conjunction with the filing of the annual return of organization exempt from income tax. Interest and penalties assessed by income taxing authorities are included in administrative expense. For 2017 and 2016, there were no penalties or interest assessed or paid. RAIN files informational returns in the U.S. federal and state jurisdictions. RAIN's federal and state informational returns for 2015, 2016 and 2017 are subject to examination by the IRS and state taxing authorities, generally for three years after they were filed.

Advertising

RAIN expenses advertising costs as incurred with the exception of promotional videos. Costs incurred in connection with the creation and production of promotional videos totaled $28,239 and have been capitalized and amortized using the straight-line method over 10 years. These costs are presented in the Statements of Financial Position as intangible assets. Amortization expense for 2017 and 2016 was $1,008 and $2,824, respectively, and accumulated amortization totaled $28,054 and $27,046 at September 30, 2017 and 2016, respectively. Amortization expense for 2018 is expected to be $185.

NOTE 2 TEMPORARILY RESTRICTED NET ASSETS

In 2017, restricted grants and donations were used for the following:

- Dave Nikkel Foundation: Improving wells in 2 communities
- Capacity Building Fund: supported by various individual donors, for staffing in Niger and the U.S.
- Turing Foundation – Elementary & middle school mentoring in 2 communities

In 2016, restricted grants and donations were used for the following:

- Dining for Women: Bringing the mentoring program in 5 communities to sustainability through Savings and Loan groups
- Dave Nikkel Foundation: Improving wells in 2 communities
- International Foundation: A well and school market garden expansions
- Vibrant Village: Establishment of new Women's Cooperative Garden
- Capacity Building Fund: supported by various individual donors, for staffing in Niger and the U.S.
- One Day's Wages: Mentoring, Artisan Cooperative and Food and Water Security

NOTE 3 FOREIGN OPERATIONS

RAIN has operations in Niger and maintains various bank accounts in the country denominated in West African CFA currency. The aggregate foreign currency transaction losses for 2017 and 2016 were as follows:

	2017	2016
Beginning cumulative translation adjustment	$-27,994	$-25,891
Loss on foreign currency exchange	-1,944	-2,103
Ending cumulative translation adjustment	$-29,938	$-27,994

NOTE 4 CONCENTRATION OF GEOGRAPHIC AREA

In maintaining its foreign operations in Niger, RAIN experiences risk factors inherent in these operations, such as currency fluctuations and economic and political conditions. The net assets located in Niger were $104,830 and $98,989 at September 30, 2017 and 2016, respectively.

NOTE 5 LEASE COMMITMENT

RAIN leases office space in the United States and Niger, and has entered into an operating lease agreement for the Portsmouth, New Hampshire office and an operating lease agreement for the Niamey office in Niger. RAIN also rents office space on a month-to-month basis in Agadez. The term of the Portsmouth lease is one year starting June 30, 2017 and ending June 30, 2018. The term of the current Niger lease is one year with the option of renewing annually for two additional years through September 2018. Rent expense for the years ended September 30, 2017 and 2016 was $16,085 and $10,335, respectively. The future minimum lease payments are $10,166.

NOTE 6 EVALUATION OF SUBSEQUENT EVENTS

RAIN has evaluated all subsequent events through July 20, 2018, the date the financial statements were available to be issued, and determined that any subsequent events that require recognition or disclosure were considered in the preparation of the financial statements.

RAIN FOR THE SAHEL AND SAHARA, INC.
SUPPLEMENTAL SCHEDULES OF FUNCTIONAL EXPENSE PERCENTAGES
FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016
(See Accountant's Compilation Report)

	2017 (Compilation)		2016 (Review)	
Program expenses	$262,432	74.70%	$286,307	76.34%
Management and general expenses	50,678	14.40%	32,619	8.70%
Fundraising expenses	37,898	10.90%	56,118	14.96%
	$351,008	100.00%	$375,044	100.00%

See notes to financial statements.