

## CONSOLIDATED FINANCIAL STATEMENTS



## **OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND OPEN GOVERNMENT PARTNERSHIP EUROPE**

**FOR THE YEAR ENDED DECEMBER 31, 2019  
WITH SUMMARIZED FINANCIAL  
INFORMATION FOR 2018**

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

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## CPAs & ADVISORS

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Open Government Partnership Secretariat  
Open Government Partnership Europe  
Washington, D.C.

We have audited the accompanying consolidated financial statements of Open Government Partnership Secretariat and Open Government Partnership Europe (collectively, "the Organization"), which comprise the consolidated statement of financial position as of December 31, 2019, and the related consolidated statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

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## Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2019, and the consolidated change in its net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We have previously audited the Organization's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 23, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidating Schedule of Financial Position on page 15, the Consolidating Schedule of Activities and Changes in Net Assets on page 16 and the Schedule of Expenses - Department for International Development on page 17 are presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Gelman Rosenberg & Freedman*

June 10, 2020

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2019  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018**

<b>ASSETS</b>		<u>2019</u>	<u>2018</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$	3,508,035	\$ 2,812,135
Accounts receivable		94,997	47,935
Grants and contributions receivable		2,992,221	3,092,327
Prepaid expenses		<u>105,659</u>	<u>267,866</u>
Total current assets		<u>6,700,912</u>	<u>6,220,263</u>
<b>FIXED ASSETS</b>			
Website		222,400	32,400
Less: Accumulated amortization		<u>(47,867)</u>	<u>(5,400)</u>
Net fixed assets		<u>174,533</u>	<u>27,000</u>
<b>OTHER ASSETS</b>			
Deposits		126,598	54,474
Grants receivable, net of current portion and discount		<u>688,841</u>	<u>1,352,942</u>
Total other assets		<u>815,439</u>	<u>1,407,416</u>
<b>TOTAL ASSETS</b>		<b><u>\$ 7,690,884</u></b>	<b><u>\$ 7,654,679</u></b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued liabilities	\$	336,446	\$ 190,914
Accrued salaries and related benefits		445,998	146,187
Deferred revenue		<u>-</u>	<u>1,462,783</u>
Total liabilities		<u>782,444</u>	<u>1,799,884</u>
<b>NET ASSETS</b>			
Without donor restrictions		3,389,921	2,641,853
With donor restrictions		<u>3,518,519</u>	<u>3,212,942</u>
Total net assets		<u>6,908,440</u>	<u>5,854,795</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b><u>\$ 7,690,884</u></b>	<b><u>\$ 7,654,679</u></b>

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018**

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>REVENUE AND SUPPORT</b>				
Foundation grants	\$ 1,250,000	\$ 2,035,899	\$ 3,285,899	\$ 6,932,942
Foreign government grants	5,632,375	-	5,632,375	2,093,999
Country contributions	2,774,902	25,000	2,799,902	2,762,872
Other contributions	1,100	-	1,100	668,038
(Loss) gain on currency translation	(695)	-	(695)	6,888
Net assets released from donor restrictions	<u>1,755,322</u>	<u>(1,755,322)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>11,413,004</u>	<u>305,577</u>	<u>11,718,581</u>	<u>12,464,739</u>
<b>EXPENSES</b>				
Program Services:				
Country Support	2,886,688	-	2,886,688	1,846,981
Flagship Report Initiative	-	-	-	179,247
Global and Steering Committee Independent Reporting Mechanism	2,435,250	-	2,435,250	1,466,136
Learning and Innovation	2,074,225	-	2,074,225	1,482,367
Communications	1,008,098	-	1,008,098	468,631
Analytics and Insights	725,149	-	725,149	615,987
	<u>628,098</u>	<u>-</u>	<u>628,098</u>	<u>-</u>
Total program services	<u>9,757,508</u>	<u>-</u>	<u>9,757,508</u>	<u>6,059,349</u>
Supporting Services:				
Development	124,632	-	124,632	139,164
General and Administrative	<u>782,796</u>	<u>-</u>	<u>782,796</u>	<u>411,431</u>
Total supporting services	<u>907,428</u>	<u>-</u>	<u>907,428</u>	<u>550,595</u>
Total expenses	<u>10,664,936</u>	<u>-</u>	<u>10,664,936</u>	<u>6,609,944</u>
Change in net assets	748,068	305,577	1,053,645	5,854,795
Net assets at beginning of year	<u>2,641,853</u>	<u>3,212,942</u>	<u>5,854,795</u>	<u>-</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 3,389,921</u></b>	<b><u>\$ 3,518,519</u></b>	<b><u>\$ 6,908,440</u></b>	<b><u>\$ 5,854,795</u></b>

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018**

	2019				
	Program Services				
	Country Support	Global and Steering Committee	Independent Reporting Mechanism	Learning and Innovation	Communications
Salary, taxes and benefits - US based	\$ 414,386	\$ 1,265,636	\$ 774,926	\$ 499,376	\$ 307,551
Staff recruitment	1,950	1,670	1,422	690	497
Professional fees	248,266	165,748	885,257	426,155	325,528
Professional services - International staff	1,700,927	-	148,767	-	-
Facilities	56,938	44,443	36,593	17,657	12,724
Travel, meetings and events	371,529	921,555	199,760	38,368	45,113
Dues and subscriptions	10,457	9,299	8,108	8,553	21,445
Conferences and trainings	2,539	337	287	1,226	100
Advertising and promotion	-	-	-	-	1,661
Grants and awards	50,607	-	-	-	-
Insurance	4,190	3,587	3,054	1,483	1,068
Miscellaneous expense	1,090	1,381	993	504	864
Supplies	13,337	10,179	7,111	4,501	4,543
Copying and printing	453	2,739	1,002	5,469	1,626
Postage and delivery	351	690	157	819	55
Business licenses and permits	195	167	142	69	50
Credit, banking and other fees	2,925	2,214	1,874	910	655
Amortization	6,548	5,605	4,772	2,318	1,669
<b>TOTAL</b>	<b>\$ 2,886,688</b>	<b>\$ 2,435,250</b>	<b>\$ 2,074,225</b>	<b>\$ 1,008,098</b>	<b>\$ 725,149</b>

See accompanying notes to consolidated financial statements.

OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

	2019 (Continued)					2018	
	Program Services (continued)		Supporting Services			Total Expenses	Total Expenses
	Analytics and Insights	Total Program Services	Development	General and Administrative	Total Supporting Services	Total Expenses	Total Expenses
Salary, taxes and benefits - US based	\$ 417,133	\$ 3,679,008	\$ 117,671	\$ 321,016	\$ 438,687	\$ 4,117,695	\$ 2,519,084
Staff recruitment	402	6,631	85	5,905	5,990	12,621	3,087
Professional fees	155,938	2,206,892	2,087	144,262	146,349	2,353,241	1,270,130
Professional services - International staff	-	1,849,694	-	-	-	1,849,694	1,158,422
Facilities	11,094	179,449	2,185	151,001	153,186	332,635	197,981
Travel, meetings and events	16,689	1,593,014	1,079	55,287	56,366	1,649,380	1,333,479
Dues and subscriptions	4,672	62,534	445	30,723	31,168	93,702	12,632
Conferences and trainings	771	5,260	17	1,190	1,207	6,467	7,962
Advertising and promotion	-	1,661	-	-	-	1,661	119
Grants and awards	-	50,607	-	-	-	50,607	17,721
Insurance	925	14,307	184	12,685	12,869	27,176	15,457
Miscellaneous expense	242	5,074	47	3,241	3,288	8,362	6,198
Supplies	3,735	43,406	414	28,625	29,039	72,445	33,935
Copying and printing	14,191	25,480	-	13	13	25,493	14,697
Postage and delivery	249	2,321	9	652	661	2,982	998
Business licenses and permits	43	666	9	590	599	1,265	185
Credit, banking and other fees	568	9,146	113	7,784	7,897	17,043	12,457
Amortization	1,446	22,358	287	19,822	20,109	42,467	5,400
<b>TOTAL</b>	<b>\$ 628,098</b>	<b>\$ 9,757,508</b>	<b>\$ 124,632</b>	<b>\$ 782,796</b>	<b>\$ 907,428</b>	<b>\$ 10,664,936</b>	<b>\$ 6,609,944</b>

See accompanying notes to consolidated financial statements.



**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2019  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 1,053,645	\$ 5,854,795
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization	42,467	5,400
Change in discount on long-term receivables	(35,899)	47,058
(Increase) decrease in:		
Accounts receivable	(47,062)	(47,935)
Grants and contributions receivable	800,106	(4,492,327)
Prepaid expenses	162,207	(267,866)
Deposits	(72,124)	(54,474)
Increase (decrease) in:		
Accounts payable and accrued liabilities	145,532	190,914
Accrued salaries and related benefits	299,811	146,187
Deferred revenue	<u>(1,462,783)</u>	<u>1,462,783</u>
Net cash provided by operating activities	<u>885,900</u>	<u>2,844,535</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets	<u>(190,000)</u>	<u>(32,400)</u>
Net cash used by investing activities	<u>(190,000)</u>	<u>(32,400)</u>
Net increase in cash and cash equivalents	695,900	2,812,135
Cash and cash equivalents at beginning of year	<u>2,812,135</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 3,508,035</u></b>	<b><u>\$ 2,812,135</u></b>

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION**

Organization -

Open Government Partnership Secretariat (OGP) is a non-profit organization, incorporated and located in the District of Columbia. OGP brings together government reformers and civil society leaders to create action plans that make governments more inclusive, responsive and accountable. OGP formally launched on September 20, 2011, when the 8 founding governments (Brazil, Indonesia, Mexico, Norway, the Philippines, South Africa, the United Kingdom and the United States) endorsed the Open Government Declaration and announced their country action plans. Since 2011, 79 OGP participating countries and 20 subnational governments have made over 3,100 commitments to make their governments more open and accountable.

Open Government Partnership Europe (OGP Europe) is a non-profit foundation incorporated and located in Brussels, Belgium. OGP Europe was incorporated in May 2019 with the intent to contribute to the fulfillment of OGP's mission, as well to secure concrete commitments from governments to their citizenry to promote transparency, empower citizens, fight corruption, and harness new technologies to strengthen governance. Beginning in May 2019, the financial activity of OGP Europe is included in the consolidated financial statements for the year ended December 31, 2019.

Basis of presentation -

The accompanying consolidated financial statements represent the activity of Open Government Partnership Secretariat (OGP) and Open Government Partnership Europe (OGP Europe) (collectively, the Organization) pursuant to the criterion established by FASB ASC 958-810, Not-for-Profit Entities Consolidation. Under FASB ASC 958-810, consolidation is required if a separate not-for-profit organization has control (i.e., major voting interest) and significant economic interest in that other organization. The financial statements have been consolidated as Open Government Partnership Secretariat controls Open Government Partnership Europe. All intercompany transactions have been eliminated in consolidation.

The accompanying consolidated financial statements are presented on the accrual basis of accounting, and in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in "net assets with donor restrictions", depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statement of Activities and Change in Net Assets as net assets released from donor restrictions.

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Cash and cash equivalents -

The Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year the Organization maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

At December 31, 2019, the Organization had \$278,750 of cash and cash equivalents held at a financial institution in a foreign country to support operations in that country.

New accounting pronouncement adopted -

During 2019, the Organization adopted ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This guidance is intended to clarify and improve the scope and the accounting guidance for contributions received and contributions made. Key provisions in this guidance include clarification regarding the accounting for grants and contracts as exchange transactions or contributions, and improve guidance to better distinguish between conditional and unconditional contributions. The Organization adopted the ASU using a modified prospective basis.

Receivables -

Accounts receivable are recorded at their net realizable value, which approximates fair value. Management considers all amounts to be fully collectible within one year. Accordingly, an allowance for doubtful accounts has not been established.

Grants and contributions that are expected to be collected in future years are recorded at fair value, measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in foundation grants revenue. Conditional promises to give are not included as support until the conditions are substantially met. All grants and contributions receivable are considered by management to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Fixed assets -

Fixed assets in excess of \$5,000 are capitalized and stated at cost.

Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. The cost of maintenance and repairs is recorded as expenses are incurred. Amortization expense for the year ended December 31, 2019 totaled \$42,467.

Income taxes -

OGP is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying consolidated financial statements. OGP is not a private foundation.

OGP Europe is registered as a not-for profit entity under Belgian Law. Accordingly, OGP Europe is exempt from paying income taxes if the costs meet the entity's stated mission.

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Uncertain tax positions -

For the year ended December 31, 2019, the Organization has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the consolidated financial statements.

Revenue -

The majority of the Organization's revenue is received through grants and contributions with foreign governments and other entities. Grants and contributions are recognized in the appropriate category of net assets in the period received. The Organization performs an analysis of the individual grant and contribution to determine if the revenue streams follow the contributions rules or if considered an exchange transaction depending on whether the transaction is reciprocal or nonreciprocal.

For grants and contributions qualifying under the contributions rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the condition on which they depend are substantially met. Grants and contributions qualifying as contributions that are unconditional that have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions; such funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying consolidated financial statements.

Grant agreements qualifying as conditional contributions contain a right of return and a barrier. Revenue is recognized when the condition or conditions are satisfied. Most grant awards from foreign governments and other entities are for direct and indirect program costs. These transactions are nonreciprocal and classified as conditional and are recognized as contributions when the revenue becomes unconditional. Typically, these agreements also contain a right of return or right of release from obligation provision and the entity has limited discretion over how funds transferred should be spent. As such, the Organization recognizes revenue for these conditional contributions when the related barrier has been overcome (generally, when qualifying expenditures are incurred). Funds received in advance of the incurrence of qualifying expenditures are recorded as deferred revenue.

Foreign currency translation -

The U.S. Dollar is the functional currency for the Organization's worldwide operations. Transactions in currencies other than U.S. Dollars are translated into dollars at the rate of exchange in effect during the month of the transaction.

Use of estimates -

The preparation of the consolidated 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 at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Consolidated Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of the Organization are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort or other reasonable basis.

New accounting pronouncement not yet adopted -

FASB issued ASU 2019-01, *Leases* (Topic 842). The ASU changes the accounting treatment for operating leases by recognizing a lease asset and lease liability at the present value of the lease payments in the Consolidated Statement of Financial Position and disclosing key information about leasing arrangements. The ASU is effective for non public entities beginning after December 15, 2020. Early adoption is permitted. The ASU can be applied at the beginning of the earliest period presented using a modified retrospective approach or applied at the beginning of the period of adoption recognizing a cumulative-effect adjustment.

The Organization plans to adopt the new ASU at the required implementation date and management is currently in the process of evaluating the adoption method and the impact of the new standard on its accompanying consolidated financial statements.

**2. GRANTS AND CONTRIBUTIONS RECEIVABLE**

The Organization has received written promises to give in which \$3,692,221 remained outstanding as of December 31, 2019. As of December 31, 2019, amounts due beyond one year of the Consolidated Statement of Financial Position date have been recorded at the present value of the estimated cash flows, using a discount rate of 1.62%.

Grants and contributions are due as follows at December 31, 2019:

Less than one year	\$ 2,992,221
One to five years	<u>700,000</u>
Total grants and contributions receivable	3,692,221
Less: Allowance to discount balance to present value	<u>(11,159)</u>
<b>NET GRANTS AND CONTRIBUTIONS RECEIVABLE</b>	<b><u>\$ 3,681,062</u></b>

**3. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following at December 31, 2019:

Core Institutional Strengthening	\$ 630,000
OGP Evaluation	394,677
Subject to Passage of Time	<u>2,493,842</u>
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b><u>\$ 3,518,519</u></b>

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**3. NET ASSETS WITH DONOR RESTRICTIONS (Continued)**

The following net assets with donor restrictions were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

Core Institutional Strengthening	\$ 210,000
OGP Evaluation	105,322
Timing Restrictions Accomplished	<u>1,440,000</u>
<b>TOTAL NET ASSETS RELEASED FROM RESTRICTIONS</b>	<b><u>\$ 1,755,322</u></b>

**4. LIQUIDITY AND AVAILABILITY**

Financial assets available for use for general expenditures within one year of the Consolidated Statement of Financial Position date comprise the following:

Cash and cash equivalents	\$ 3,508,035
Accounts receivable	94,997
Grants and contributions receivable	<u>3,681,062</u>
Subtotal financial assets	7,284,094
Less: Amounts unavailable for general expenditures within one year due to donor restrictions	<u>(2,253,519)</u>
<b>FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR</b>	<b><u>\$ 5,030,575</u></b>

The Organization has a policy to structure its financial assets to be available and liquid as its obligations become due.

**5. LEASE COMMITMENTS**

OGP entered into an office space agreement in Washington, D.C. that commenced on April 1, 2018 and was set to expire on March 31, 2019. There were two amendments signed prior to March 31, 2019 that increased the monthly base rent.

OGP signed another agreement, effective April 1, 2019 and expiring on March 31, 2020 for the same office space. Base rent was \$20,552 per month for the first agreement and increased to \$26,768 for the agreement that commenced on April 1, 2019.

In April 2020, OGP signed a lease agreement for the same office space, effective April 1, 2020 and expiring on March 31, 2022. Base rent under this agreement is \$27,592 per month.

OGP Europe entered into an office space agreement in Brussels, Belgium that commenced on December 1, 2019 and will expire on November 30, 2024. Base rent under this agreement is approximately \$1,350 per month.

The Organization also leases office space in New York and Singapore under short-term lease agreements.

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

**5. LEASE COMMITMENTS (Continued)**

The following is a schedule of the future minimum lease payments:

<u>Year Ending December 31,</u>	
2020	\$ 333,036
2021	331,104
2022	<u>82,776</u>
	<b><u>\$ 746,916</u></b>

Rent expense, including other facility costs, for the year ended December 31, 2019 totaled \$332,635.

**6. RETIREMENT PLAN**

The Organization provides retirement benefits to its employees through a defined contribution plan covering all full-time employees with one month of eligible experience. The Organization provides a 100% match of each eligible employee's contribution up to the first 4% of compensation and 50% of the next 2% of compensation. Contributions to the Plan during the year ended December 31, 2019 totaled \$136,785.

**7. SUBSEQUENT EVENTS**

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 10, 2020, the date the consolidated financial statements were issued.

On March 11, 2020, the World Health Organization declared the Coronavirus disease (COVID-19) a global pandemic. As a result of the spread of the COVID-19 disease, economic uncertainties have arisen which may negatively impact the Organization's operations. The overall potential impact is unknown at this time.

On May 6, 2020, the Organization entered into a two-year promissory note agreement in the amount of \$638,478 with a 1% fixed interest rate under the Paycheck Protection Program. The promissory note calls for monthly principal and interest payments amortized over the term of the promissory note beginning in November 2020, unless otherwise forgiven. Under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the promissory note may be forgiven by the Small Business Administration in whole or in part.

## **SUPPLEMENTAL INFORMATION**



**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2019**

**ASSETS**

	<b>OGP Secretariat</b>	<b>OGP Europe</b>	<b>Eliminations</b>	<b>Total</b>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 3,229,285	\$ 278,750	\$ -	\$ 3,508,035
Accounts receivable	94,997	-	-	94,997
Grants and contributions receivable	2,992,221	-	-	2,992,221
Due from OGP Europe	45,200	-	(45,200)	-
Prepaid expenses	105,659	-	-	105,659
Total current assets	<u>6,467,362</u>	<u>278,750</u>	<u>(45,200)</u>	<u>6,700,912</u>
<b>FIXED ASSETS</b>				
Website	222,400	-	-	222,400
Less: Accumulated amortization	(47,867)	-	-	(47,867)
Net fixed assets	<u>174,533</u>	<u>-</u>	<u>-</u>	<u>174,533</u>
<b>OTHER ASSETS</b>				
Deposits	123,821	2,777	-	126,598
Grants receivable, net of current portion	688,841	-	-	688,841
Total other assets	<u>812,662</u>	<u>2,777</u>	<u>-</u>	<u>815,439</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 7,454,557</u></b>	<b><u>\$ 281,527</u></b>	<b><u>\$ (45,200)</u></b>	<b><u>\$ 7,690,884</u></b>

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable and accrued liabilities	\$ 336,446	\$ -	-	\$ 336,446
Accrued salaries and related benefits	445,998	-	-	445,998
Due to OGP	-	45,200	(45,200)	-
Deferred revenue	-	-	-	-
Total liabilities	<u>782,444</u>	<u>45,200</u>	<u>(45,200)</u>	<u>782,444</u>

**NET ASSETS**

Without donor restrictions	3,153,594	236,327	-	3,389,921
With donor restrictions	3,518,519	-	-	3,518,519
Total net assets	<u>6,672,113</u>	<u>236,327</u>	<u>-</u>	<u>6,908,440</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 7,454,557</u></b>	<b><u>\$ 281,527</u></b>	<b><u>\$ (45,200)</u></b>	<b><u>\$ 7,690,884</u></b>

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	OGP SECRETARIAT			OGP EUROPE			Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total		
<b>REVENUE AND SUPPORT</b>								
Foundation grants	\$ 1,250,000	\$ 2,035,899	\$ 3,285,899	\$ -	\$ -	\$ -	\$ -	\$ 3,285,899
Foreign government grants	5,632,375	-	5,632,375	-	-	-	-	5,632,375
Country contributions	2,774,902	25,000	2,799,902	-	-	-	-	2,799,902
Other contributions	1,100	-	1,100	278,750	-	278,750	(278,750)	1,100
Loss on currency translation	(695)	-	(695)	-	-	-	-	(695)
Net assets released from donor restrictions	1,755,322	(1,755,322)	-	-	-	-	-	-
Total revenue and support	11,413,004	305,577	11,718,581	278,750	-	278,750	(278,750)	11,718,581
<b>EXPENSES</b>								
Program Services:								
Country Support	3,123,015	-	3,123,015	42,423	-	42,423	(278,750)	2,886,688
Global and Steering Committee	2,435,250	-	2,435,250	-	-	-	-	2,435,250
Independent Reporting Mechanism	2,074,225	-	2,074,225	-	-	-	-	2,074,225
Learning and Innovation	1,008,098	-	1,008,098	-	-	-	-	1,008,098
Communications	725,149	-	725,149	-	-	-	-	725,149
Analytics and Insights	628,098	-	628,098	-	-	-	-	628,098
Total program services	9,993,835	-	9,993,835	42,423	-	42,423	(278,750)	9,757,508
Supporting Services:								
Development	124,632	-	124,632	-	-	-	-	124,632
General and Administrative	782,796	-	782,796	-	-	-	-	782,796
Total supporting services	907,428	-	907,428	-	-	-	-	907,428
Total expenses	10,901,263	-	10,901,263	42,423	-	42,423	(278,750)	10,664,936
Change in net assets	511,741	305,577	817,318	236,327	-	236,327	-	1,053,645
Net assets at beginning of year	2,641,853	3,212,942	5,854,795	-	-	-	-	5,854,795
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 3,153,594</b>	<b>\$ 3,518,519</b>	<b>\$ 6,672,113</b>	<b>\$ 236,327</b>	<b>\$ -</b>	<b>\$ 236,327</b>	<b>\$ -</b>	<b>\$ 6,908,440</b>

**OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND  
OPEN GOVERNMENT PARTNERSHIP EUROPE**

**SCHEDULE OF EXPENSES - DEPARTMENT FOR INTERNATIONAL DEVELOPMENT  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>Support Unit</b>	<b>State of Open Government Report</b>	<b>Total Expenses</b>
Salaries and benefits - US based	\$ 1,120,726	\$ 300,851	\$ 1,421,577
Professional services - International staff	982,394	-	982,394
Professional fees - Consultants	308,382	71,869	380,251
Travel, meetings and events expenses	233,029	4,109	237,138
Other expenses	95	14,728	14,823
Total direct expenses	2,644,626	391,557	3,036,183
Overhead allocation	264,462	39,156	303,618
<b>TOTAL</b>	<b>\$ 2,909,088</b>	<b>\$ 430,713</b>	<b>\$ 3,339,801</b>