

CONSOLIDATED FINANCIAL STATEMENTS



OPEN GOVERNMENT PARTNERSHIP SECRETARIAT AND OPEN GOVERNMENT PARTNERSHIP EUROPE

**FOR THE YEAR ENDED DECEMBER 31, 2020
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2019**

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

CONTENTS

	PAGE NO.
INDEPENDENT AUDITOR'S REPORT	2 - 3
EXHIBIT A - Consolidated Statement of Financial Position, as of December 31, 2020, with Summarized Financial Information for 2019	4
EXHIBIT B - Consolidated Statement of Activities and Change in Net Assets, for the Year Ended December 31, 2020, with Summarized Financial Information for 2019	5
EXHIBIT C - Consolidated Statement of Functional Expenses, for the Year Ended December 31, 2020, with Summarized Financial Information for 2019	6 - 7
EXHIBIT D - Consolidated Statement of Cash Flows, for the Year Ended December 31, 2020, with Summarized Financial Information for 2019	8
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	9 - 16
SUPPLEMENTAL INFORMATION	
SCHEDULE 1 - Consolidating Schedule of Financial Position, as of December 31, 2020	17
SCHEDULE 2 - Consolidating Schedule of Activities and Change in Net Assets, for the Year Ended December 31, 2020	18
SCHEDULE 3 - Schedule of Expenses - Foreign, Commonwealth and Development Office, for the Year Ended December 31, 2020	19
SCHEDULE 4 - Schedule of Revenue and Expenses - Swedish International Development Cooperation Agency, for the Year Ended December 31, 2020	20
SCHEDULE 5 - Schedule of Revenue and Expenses - Swedish International Development Cooperation Agency, for the Year Ended December 31, 2019	21



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, 2020, 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.

4550 MONTGOMERY AVENUE • SUITE 800 NORTH • BETHESDA, MARYLAND 20814
(301) 951-9090 • WWW.GRFCPA.COM

MEMBER OF CPAMERICA INTERNATIONAL, AN AFFILIATE OF CROWE GLOBAL
MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

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, 2020, 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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2019 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated June 10, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited consolidated 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 17, the Consolidating Schedule of Activities and Changes in Net Assets on page 18, the Schedule of Expenses - Foreign, Commonwealth and Development Office on page 19 and the Schedules of Revenue and Expenses - Swedish International Development Cooperation Agency on pages 20 - 21 are presented for purposes of additional analysis and are 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 14, 2021

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

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019**

ASSETS		<u>2020</u>	<u>2019</u>
CURRENT ASSETS			
Cash and cash equivalents	\$	5,918,396	\$ 3,508,035
Investments		2,000,177	-
Grants and contributions receivable		1,865,902	2,992,221
Accounts receivable		56,101	94,997
Prepaid expenses		<u>72,715</u>	<u>105,659</u>
Total current assets		<u>9,913,291</u>	<u>6,700,912</u>
FIXED ASSETS			
Website		222,400	222,400
Less: Accumulated amortization		<u>(122,000)</u>	<u>(47,867)</u>
Net fixed assets		<u>100,400</u>	<u>174,533</u>
OTHER ASSETS			
Deposits		139,268	126,598
Grants receivable, net of current portion and discount		<u>200,000</u>	<u>688,841</u>
Total other assets		<u>339,268</u>	<u>815,439</u>
TOTAL ASSETS		<u>\$ 10,352,959</u>	<u>\$ 7,690,884</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Loan payable	\$	638,478	\$ -
Accounts payable and accrued liabilities		250,238	336,446
Accrued salaries and related benefits		529,738	445,998
Refundable advances		<u>1,102,025</u>	<u>-</u>
Total liabilities		<u>2,520,479</u>	<u>782,444</u>
NET ASSETS			
Without donor restrictions		5,303,825	3,389,921
With donor restrictions		<u>2,528,655</u>	<u>3,518,519</u>
Total net assets		<u>7,832,480</u>	<u>6,908,440</u>
TOTAL LIABILITIES AND NET ASSETS		<u>\$ 10,352,959</u>	<u>\$ 7,690,884</u>

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

**CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019**

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE AND SUPPORT				
Foundation grants	\$ 3,428,094	\$ 729,159	\$ 4,157,253	\$ 3,285,899
Foreign and U.S. government grants	4,065,153	-	4,065,153	5,632,375
Country contributions	2,579,338	-	2,579,338	2,799,902
Other contributions	45,300	-	45,300	1,100
Interest and dividends	177	-	177	-
Gain (loss) on currency translation	51,815	-	51,815	(695)
Net assets released from donor restrictions	<u>1,719,023</u>	<u>(1,719,023)</u>	<u>-</u>	<u>-</u>
Total revenue and support	<u>11,888,900</u>	<u>(989,864)</u>	<u>10,899,036</u>	<u>11,718,581</u>
EXPENSES				
Program Services:				
Country Support	3,095,817	-	3,095,817	2,886,688
Global and Steering Committee	1,283,865	-	1,283,865	2,435,250
Independent Reporting Mechanism	1,860,036	-	1,860,036	2,074,225
Learning and Innovation	1,098,227	-	1,098,227	1,008,098
Communications	954,165	-	954,165	725,149
Analytics and Insights	<u>600,491</u>	<u>-</u>	<u>600,491</u>	<u>628,098</u>
Total program services	<u>8,892,601</u>	<u>-</u>	<u>8,892,601</u>	<u>9,757,508</u>
Supporting Services:				
Development	153,750	-	153,750	124,632
General and Administrative	<u>928,645</u>	<u>-</u>	<u>928,645</u>	<u>782,796</u>
Total supporting services	<u>1,082,395</u>	<u>-</u>	<u>1,082,395</u>	<u>907,428</u>
Total expenses	<u>9,974,996</u>	<u>-</u>	<u>9,974,996</u>	<u>10,664,936</u>
Change in net assets	1,913,904	(989,864)	924,040	1,053,645
Net assets at beginning of year	<u>3,389,921</u>	<u>3,518,519</u>	<u>6,908,440</u>	<u>5,854,795</u>
NET ASSETS AT END OF YEAR	<u>\$ 5,303,825</u>	<u>\$ 2,528,655</u>	<u>\$ 7,832,480</u>	<u>\$ 6,908,440</u>

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

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019**

	2020						
	Program Services						
	Country Support	Global and Steering Committee	Independent Reporting Mechanism	Learning and Innovation	Communications	Analytics and Insights	Total Program Services
Salary, taxes and benefits - US based	\$ 543,488	\$ 1,050,549	\$ 826,014	\$ 485,232	\$ 814,089	\$ 504,176	\$ 4,223,548
Staff recruitment and development	7,480	4,210	5,567	3,892	3,106	1,797	26,052
Professional fees	146,089	93,703	742,094	563,341	83,861	65,206	1,694,294
Professional services - international staff	2,185,731	-	217,016	-	-	-	2,402,747
Facilities	50,617	21,750	28,236	17,080	14,562	9,164	141,409
Travel, meetings and events	74,641	92,615	13,203	11,202	11,288	9,287	212,236
Dues and subscriptions	16,507	10,295	12,371	8,173	18,171	4,633	70,150
Grants and awards	50,000	-	-	-	-	-	50,000
Insurance	4,315	2,330	3,375	1,993	1,731	1,090	14,834
Miscellaneous expense	445	206	201	119	77	270	1,318
Supplies	3,726	1,418	2,257	1,443	2,054	717	11,615
Copying and printing	-	-	-	-	120	968	1,088
Postage and delivery	127	54	29	17	15	9	251
Credit, banking and other fees	3,139	1,599	2,232	1,341	1,274	772	10,357
Amortization	9,512	5,136	7,441	4,394	3,817	2,402	32,702
TOTAL	\$ 3,095,817	\$ 1,283,865	\$ 1,860,036	\$ 1,098,227	\$ 954,165	\$ 600,491	\$ 8,892,601

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, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

	2020 (Continued)			2019	
	Supporting Services			Total Expenses	Total Expenses
	Development	General and Administrative	Total Supporting Services		
Salary, taxes and benefits - US based	\$ 142,687	\$ 431,920	\$ 574,607	\$ 4,798,155	\$ 4,117,695
Staff recruitment and development	460	30,534	30,994	57,046	12,621
Professional fees	5,598	134,224	139,822	1,834,116	2,353,241
Professional services - international staff	-	-	-	2,402,747	1,849,694
Facilities	2,332	154,767	157,099	298,508	332,635
Travel, meetings and events	454	30,108	30,562	242,798	1,649,380
Dues and subscriptions	942	62,509	63,451	133,601	93,702
Grants and awards	-	-	-	50,000	50,607
Insurance	279	18,514	18,793	33,627	27,176
Miscellaneous expense	17	950	967	2,285	17,755
Supplies	176	11,685	11,861	23,476	72,445
Copying and printing	-	-	-	1,088	25,493
Postage and delivery	2	159	161	412	2,982
Credit, banking and other fees	188	12,459	12,647	23,004	17,043
Amortization	615	40,816	41,431	74,133	42,467
TOTAL	\$ 153,750	\$ 928,645	\$ 1,082,395	\$ 9,974,996	\$ 10,664,936

See accompanying notes to consolidated financial statements.

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 924,040	\$ 1,053,645
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization	74,133	42,467
Change in discount on long-term receivables	(11,159)	(35,899)
Decrease (increase) in:		
Grants and contributions receivable	1,626,319	800,106
Accounts receivable	38,896	(47,062)
Prepaid expenses	32,944	162,207
Deposits	(12,670)	(72,124)
(Decrease) increase in:		
Accounts payable and accrued liabilities	(86,208)	145,532
Accrued salaries and related benefits	83,740	299,811
Deferred revenue	-	(1,462,783)
Refundable advances	<u>1,102,025</u>	<u>-</u>
Net cash provided by operating activities	<u>3,772,060</u>	<u>885,900</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	-	(190,000)
Purchase of investments	<u>(2,000,177)</u>	<u>-</u>
Net cash used by investing activities	<u>(2,000,177)</u>	<u>(190,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loan payable	<u>638,478</u>	<u>-</u>
Net cash provided by financing activities	<u>638,478</u>	<u>-</u>
Net increase in cash and cash equivalents	2,410,361	695,900
Cash and cash equivalents at beginning of year	<u>3,508,035</u>	<u>2,812,135</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 5,918,396</u>	<u>\$ 3,508,035</u>

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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. Seventy-eight countries and 76 local governments—representing more than two billion people—along with thousands of civil society organizations are now members of the Open Government Partnership.

Open Government Partnership Europe (OGP Europe) is a private 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, 2020**

**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, 2020, the Organization had \$1,381,432 of cash and cash equivalents held at a financial institution in a foreign country to support operations in that country. The majority of funds held in foreign countries is uninsured.

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, 2020 totaled \$74,133.

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.

Uncertain tax positions -

For the year ended December 31, 2020, 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.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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

Revenue -

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 contribution rules or if they should be recorded as an exchange transaction depending upon whether the transactions are deemed reciprocal or nonreciprocal under ASU 2018-08, Not-for-Profit Entities (Topic 958): *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

For grants and contributions qualifying under the contribution 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 conditions on which they depend are substantially met. Grants and contributions qualifying as contributions that are unconditional and 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.

Grants or contributions qualifying as conditional contributions contain a right of return from obligation provision that limits the Organization on how funds transferred should be spent. Additionally, a barrier is present that is related to the purpose of the agreement. Revenue is recognized when the condition or conditions on which they depend are substantially met. Most grant awards from foreign governments and the United States Government are for direct and indirect program costs. These transactions are nonreciprocal and classified as conditional and are therefore recognized as contributions when the revenue becomes unconditional. 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 refundable advances. For grants treated as contributions, the Organization had approximately \$8,075,000 in unrecognized conditional contributions as of December 31, 2020. The revenue related to these awards is conditioned on incurring allowable expenditures under the terms of the related Foreign Government or United States Government grant agreements.

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.

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.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

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

Functional allocation of expenses -

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.

Economic uncertainties -

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

New accounting pronouncement not yet adopted -

In 2019, the Financial Accounting Standards Board (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. During 2020, the FASB issued ASU 2020-05 and delayed the implementation date by one year. The ASU is effective for non public entities beginning after December 15, 2021. Early adoption is still 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. INVESTMENTS

Investments consisted of the following as of December 31, 2020:

	<u>Fair Value</u>
Money Market Funds	<u>\$ 2,000,177</u>

In accordance with FASB ASC 820, *Fair Value Measurement*, the Organization has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

2. INVESTMENTS (Continued)

Investments recorded in the Consolidated Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Organization has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used or transfers between levels as of December 31, 2020.

Money Market Funds - The money market funds are open-end funds that are registered with the Securities and Exchange Commission (SEC) and are deemed to be actively traded.

The table below summarizes, by level within the fair value hierarchy, the Organization's investments as of December 31, 2020.

	Level 1	Level 2	Level 3	Total
Investments:				
Money Market Funds	\$ <u>2,000,177</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>2,000,177</u>

3. GRANTS AND CONTRIBUTIONS RECEIVABLE

The Organization has received written promises to give in which \$2,065,902 remained outstanding as of December 31, 2020. Grants and contributions are due as follows at December 31, 2020:

Less than one year	\$ 1,865,902
One to five years	<u>200,000</u>
NET GRANTS AND CONTRIBUTIONS RECEIVABLE	\$ <u>2,065,902</u>

4. LOAN PAYABLE

On May 6, 2020 the Organization received loan proceeds in the amount of \$638,478 under the Paycheck Protection Program (PPP). The promissory note calls for monthly principal and interest payments amortized over the term of the promissory note with a deferral of payments for the first six months. 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. The Organization used the proceeds for purposes consistent with the Paycheck Protection Program and received forgiveness in full on March 26, 2021; refer to Note 9.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at December 31, 2020:

Purpose Restrictions:	
Core Institutional Strengthening	\$ 420,000
OGP Evaluation	318,655
Subject to Passage of Time	<u>1,790,000</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 2,528,655</u>

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:

Purpose Restrictions Accomplished:	
Core Institutional Strengthening	\$ 210,000
To Promote Open Justice	150,000
OGP Evaluation	76,023
African Data Protection	18,000
Timing Restrictions Accomplished	<u>1,265,000</u>
TOTAL NET ASSETS RELEASED FROM RESTRICTIONS	<u>\$ 1,719,023</u>

6. 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	\$ 5,918,396
Investments	2,000,177
Accounts receivable	56,101
Grants and contributions receivable	<u>2,065,902</u>
Subtotal financial assets	10,040,576
Less: Amounts unavailable for general expenditures within one year due to donor restrictions	(738,655)
Less: Amounts unavailable for general expenditures within one year due to time restrictions	<u>(200,000)</u>
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	<u>\$ 9,301,921</u>

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

7. LEASE COMMITMENTS

OGP entered into an office space agreement in Washington, D.C. that commenced on April 1, 2019 and was set to expire on March 31, 2020. The base rent was \$26,768 per month.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

7. LEASE COMMITMENTS (Continued)

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

Beginning in September 2020, base rent was reduced to \$7,240. OGP terminated the lease effective March 31, 2021. In April 2021, OGP signed a new lease agreement for the same office space, effective April 1, 2021 and expiring March 31, 2024. Base rent under this agreement is \$9,365 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. OGP Europe also leases office space in Germany on a month-to-month basis.

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

Year Ending December 31,

2021	\$ 151,198
2022	148,764
2023	144,878
2024	<u>57,885</u>
	<u>\$ 502,725</u>

Rent expense, including other facility costs, for the year ended December 31, 2020 totaled \$298,508.

8. RETIREMENT PLAN

The Organization provides retirement benefits to its employees through a defined contribution plan covering all full-time employees. For U.S. based employees, 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 with one month of eligible experience. Contributions to the Plan during the year ended December 31, 2020 totaled \$164,809. For Europe based employees, the Organization provides a contribution of 4% to 15.6% of compensation. Contributions to the Plan during the year ended December 31, 2020 totaled \$39,362.

9. SUBSEQUENT EVENTS

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 14, 2021, the date the consolidated financial statements were issued.

On March 26, 2021, the Organization received forgiveness of their loan under the Paycheck Protection Program by the SBA in the amount of \$638,478. There are no further requirements regarding this funding and the Organization intends to record the amount forgiven as revenue from the debt extinguishment during fiscal year 2021.

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

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020**

9. SUBSEQUENT EVENTS (Continued)

On March 26, 2021, the Organization received a second round of loan proceeds in the amount of \$737,300 under the Paycheck Protection Program (PPP). Under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), the promissory note must be used for certain expenditures within a 24-week period to ultimately be forgiven by the Small Business Administration.

SUPPLEMENTAL INFORMATION

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

**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020**

	ASSETS			
	OGP Secretariat	OGP Europe	Eliminations	Total
CURRENT ASSETS				
Cash and cash equivalents	\$ 4,536,964	\$ 1,381,432	\$ -	\$ 5,918,396
Investments	2,000,177	-	-	2,000,177
Grants and contributions receivable	1,865,902	-	-	1,865,902
Accounts receivable	56,101	-	-	56,101
Due from OGP Europe	102,752	-	(102,752)	-
Prepaid expenses	72,715	-	-	72,715
Total current assets	<u>8,634,611</u>	<u>1,381,432</u>	<u>(102,752)</u>	<u>9,913,291</u>
FIXED ASSETS				
Website	222,400	-	-	222,400
Less: Accumulated amortization	<u>(122,000)</u>	<u>-</u>	<u>-</u>	<u>(122,000)</u>
Net fixed assets	<u>100,400</u>	<u>-</u>	<u>-</u>	<u>100,400</u>
OTHER ASSETS				
Deposits	134,181	5,087	-	139,268
Grants receivable, net of current portion	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
Total other assets	<u>334,181</u>	<u>5,087</u>	<u>-</u>	<u>339,268</u>
TOTAL ASSETS	<u>\$ 9,069,192</u>	<u>\$ 1,386,519</u>	<u>\$ (102,752)</u>	<u>\$ 10,352,959</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Loan payable	\$ 638,478	\$ -	\$ -	\$ 638,478
Accounts payable and accrued liabilities	239,957	10,281	-	250,238
Accrued salaries and related benefits	424,529	105,209	-	529,738
Due to OGP	-	102,752	(102,752)	-
Refundable advances	<u>26,791</u>	<u>1,075,234</u>	<u>-</u>	<u>1,102,025</u>
Total liabilities	<u>1,329,755</u>	<u>1,293,476</u>	<u>(102,752)</u>	<u>2,520,479</u>
NET ASSETS				
Without donor restrictions	5,210,782	93,043	-	5,303,825
With donor restrictions	<u>2,528,655</u>	<u>-</u>	<u>-</u>	<u>2,528,655</u>
Total net assets	<u>7,739,437</u>	<u>93,043</u>	<u>-</u>	<u>7,832,480</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 9,069,192</u>	<u>\$ 1,386,519</u>	<u>\$ (102,752)</u>	<u>\$ 10,352,959</u>

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

**CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	OGP SECRETARIAT			OGP EUROPE			Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total		
REVENUE AND SUPPORT								
Foundation grants	\$ 3,428,094	\$ 729,159	\$ 4,157,253	\$ -	\$ -	\$ -	\$ -	\$ 4,157,253
Foreign and U.S. government grants	4,051,911	-	4,051,911	13,242	-	13,242	-	4,065,153
Country contributions	2,579,338	-	2,579,338	-	-	-	-	2,579,338
Other contributions	45,300	-	45,300	606,722	-	606,722	(606,722)	45,300
Investment income, net	177	-	177	-	-	-	-	177
Gain on currency translation	43,990	-	43,990	7,825	-	7,825	-	51,815
Net assets released from donor restrictions	1,719,023	(1,719,023)	-	-	-	-	-	-
Total revenue and support	11,867,833	(989,864)	10,877,969	627,789	-	627,789	(606,722)	10,899,036
EXPENSES								
Program Services:								
Country Support	2,931,466	-	2,931,466	771,073	-	771,073	(606,722)	3,095,817
Global and Steering Committee	1,283,865	-	1,283,865	-	-	-	-	1,283,865
Independent Reporting Mechanism	1,860,036	-	1,860,036	-	-	-	-	1,860,036
Learning and Innovation	1,098,227	-	1,098,227	-	-	-	-	1,098,227
Communications	954,165	-	954,165	-	-	-	-	954,165
Analytics and Insights	600,491	-	600,491	-	-	-	-	600,491
Total program services	8,728,250	-	8,728,250	771,073	-	771,073	(606,722)	8,892,601
Supporting Services:								
Development	153,750	-	153,750	-	-	-	-	153,750
General and Administrative	928,645	-	928,645	-	-	-	-	928,645
Total supporting services	1,082,395	-	1,082,395	-	-	-	-	1,082,395
Total expenses	9,810,645	-	9,810,645	771,073	-	771,073	(606,722)	9,974,996
Change in net assets	2,057,188	(989,864)	1,067,324	(143,284)	-	(143,284)	-	924,040
Net assets at beginning of year	3,153,594	3,518,519	6,672,113	236,327	-	236,327	-	6,908,440
NET ASSETS AT END OF YEAR	\$ 5,210,782	\$ 2,528,655	\$ 7,739,437	\$ 93,043	\$ -	\$ 93,043	\$ -	\$ 7,832,480

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

**SCHEDULE OF EXPENSES -
FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Support Unit	State of Open Government Report	Total Expenses
Salaries and benefits - US based	\$ 959,915	\$ 58,655	\$ 1,018,570
Professional services - International staff	25,233	-	25,233
Professional fees - Consultants	736,870	-	736,870
Travel, meetings and events expenses	3,787	-	3,787
Other expenses	90	-	90
	<hr/>	<hr/>	<hr/>
Total direct expenses	1,725,895	58,655	1,784,550
Overhead allocation	172,589	5,866	178,455
	<hr/>	<hr/>	<hr/>
TOTAL	\$ 1,898,484	\$ 64,521	\$ 1,963,005
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

**SCHEDULE OF REVENUE AND EXPENSES -
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Total Revenue (SEK)	Total Revenue (USD)
Foreign government grants	SEK 15,000,000	\$ 1,655,175
Gain of currency translation	-	13,676
TOTAL	SEK 15,000,000	\$ 1,668,851
		Total Expenses (USD)
Salaries and benefits - US based		\$ 1,172,157
Professional services - International staff		344,980
Total direct expenses		1,517,137
Overhead allocation		151,714
TOTAL		\$ 1,668,851

In fiscal year 2020, OGPS did not spend any funds from the Sida grant in a country ineligible for Office Development Assistance, as defined by the OECD.

In fiscal year 2020, OGPS did not forward any funds from the SIDA grant to implementing partners.

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

**SCHEDULE OF REVENUE AND EXPENSES -
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Total Revenue (SEK)	Total Revenue (USD)
Foreign government grants	SEK 15,000,000	\$ 1,537,700
Loss of currency translation	-	(11,779)
TOTAL	SEK 15,000,000	\$ 1,525,921
		Total Expenses (USD)
Salaries and benefits - US and International		\$ 1,343,814
Travel and meetings		43,384
Total direct expenses		1,387,198
Overhead allocation		138,720
TOTAL		\$ 1,525,918

In fiscal year 2019, OGPS did not spend any funds from the Sida grant in a country ineligible for Office Development Assistance, as defined by the OECD.

In fiscal year 2019, OGPS did not forward any funds from the SIDA grant to implementing partners.