

**FINANCIAL STATEMENTS**



**FOR THE YEAR ENDED DECEMBER 31, 2023**

**ACCOUNTABILITY LAB, INC.**

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**CPAs & ADVISORS**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Accountability Lab, Inc.  
Washington, D.C.

### **Opinion**

We have audited the accompanying financial statements of Accountability Lab, Inc. (Accountability Lab), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Accountability Lab as of December 31, 2023, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Accountability Lab and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Accountability Lab's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Accountability Lab's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2024, on our consideration of Accountability Lab's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Accountability Lab's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Accountability Lab's internal control over financial reporting and compliance.



June 26, 2024

**ACCOUNTABILITY LAB, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2023**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 576,716
Investments	256,289
Grants and contributions receivable	424,052
Prepaid expenses	<u>5,231</u>
Total current assets	<u>1,262,288</u>

**FIXED ASSETS**

Equipment	5,377
Less: Accumulated depreciation	<u>(5,377)</u>
Net fixed assets	<u>-</u>

**TOTAL ASSETS** \$ 1,262,288

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable and accrued liabilities	\$ 41,066
Refundable advances	<u>42,805</u>
Total liabilities	<u>83,871</u>

**NET ASSETS**

Without donor restrictions	850,530
With donor restrictions	<u>327,887</u>
Total net assets	<u>1,178,417</u>

**TOTAL LIABILITIES AND NET ASSETS** \$ 1,262,288

## ACCOUNTABILITY LAB, INC.

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
U.S. Government grants	\$ -	\$ 4,378,795	\$ 4,378,795
Dutch Government grants	-	110,936	110,936
Corporate and foundation grants	142,102	728,585	870,687
Individual contributions	7,102	-	7,102
Investment income, net	6,519	-	6,519
Net assets released from donor restrictions	<u>5,027,991</u>	<u>(5,027,991)</u>	<u>-</u>
Total support and revenue	<u>5,183,714</u>	<u>190,325</u>	<u>5,374,039</u>
<b>EXPENSES</b>			
Program Services:			
Accountability Lab - USA	3,695,334	-	3,695,334
Accountability Lab - All Other Countries	<u>787,353</u>	<u>-</u>	<u>787,353</u>
Total program services	<u>4,482,687</u>	<u>-</u>	<u>4,482,687</u>
Supporting Services:			
Management and General	696,082	-	696,082
Fundraising	<u>54,029</u>	<u>-</u>	<u>54,029</u>
Total supporting services	<u>750,111</u>	<u>-</u>	<u>750,111</u>
Total expenses	<u>5,232,798</u>	<u>-</u>	<u>5,232,798</u>
Change in net assets	(49,084)	190,325	141,241
Net assets at beginning of year	<u>899,614</u>	<u>137,562</u>	<u>1,037,176</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 850,530</u></b>	<b><u>\$ 327,887</u></b>	<b><u>\$ 1,178,417</u></b>

## ACCOUNTABILITY LAB, INC.

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services			Supporting Services			Total Expenses
	Accountability Lab - USA	Accountability Lab - All Other Countries	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Subgrants	\$ 2,537,859	\$ 700,423	\$ 3,238,282	\$ 104,337	\$ -	\$ 104,337	\$ 3,342,619
Salaries and benefits	637,072	74,948	712,020	327,942	53,789	381,731	1,093,751
Office and miscellaneous	27,371	1,265	28,636	81,100	240	81,340	109,976
Supplies	4,802	1,165	5,967	6,133	-	6,133	12,100
Consultants	194,452	1,985	196,437	27,214	-	27,214	223,651
Occupancy	350	-	350	39,123	-	39,123	39,473
Professional services	100	-	100	6,078	-	6,078	6,178
Website	13,824	266	14,090	35,649	-	35,649	49,739
Travel and transportation	176,287	7,086	183,373	48,154	-	48,154	231,527
Telecommunications	950	105	1,055	4,670	-	4,670	5,725
Events and meetings	102,267	110	102,377	15,016	-	15,016	117,393
Depreciation	-	-	-	666	-	666	666
<b>TOTAL</b>	<b>\$ 3,695,334</b>	<b>\$ 787,353</b>	<b>\$ 4,482,687</b>	<b>\$ 696,082</b>	<b>\$ 54,029</b>	<b>\$ 750,111</b>	<b>\$ 5,232,798</b>

See accompanying notes to financial statements.

## ACCOUNTABILITY LAB, INC.

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2023**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 141,241
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	666
Unrealized gain	(6,623)
Increase in:	
Grants and contributions receivable	(211,565)
Prepaid expenses	(1,157)
(Decrease) increase in:	
Accounts payable and accrued liabilities	(22,722)
Refundable advances	<u>42,805</u>
Net cash used by operating activities	<u>(57,355)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of investments	<u>(249,666)</u>
Net cash used by investing activities	<u>(249,666)</u>
Net decrease in cash and cash equivalents	(307,021)
Cash and cash equivalents at beginning of year	<u>883,737</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 576,716</u></b>



## ACCOUNTABILITY LAB, INC.

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

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

##### Organization -

Accountability Lab, Inc. is a non-profit organization, incorporated in the State of Delaware and headquartered in Washington, D.C. Accountability Lab, Inc.'s mission is to build a new generation of active citizens and responsible leaders around the world. It works towards this mission by supporting change-makers to develop and implement positive ideas for integrity in their communities. By enabling people to generate the knowledge, skills and coalitions needed for accountability, Accountability Lab, Inc. unleashes positive social and economic change. Accountability Lab, Inc. is part of the Accountability Lab global network, an international network of organizations based in the Democratic Republic of Congo, Liberia, Mali, Mexico, Nepal, Niger, Nigeria, Pakistan, Somaliland, South Africa and Zimbabwe. Following is a description of Accountability Lab's programs:

**Accountability Incubator** - A year-long training and support program for young-people with great ideas for accountability. Akin to a business incubator, the Accountability Incubator provides these "accountapreneurs" with training (quarterly meet-ups and online modules), hands-on mentorship (support for the development of ideas), communications support (such as promo videos and blogs), networks (through pitch events and "friendraisers") and some resources (an innovation fund). Accountability Incubator is a global program carried out in five countries; Liberia, Mali, Nepal, Nigeria and Pakistan.

**Citizen Helpdesks** - The Civic Action Teams (CivActs) are a pioneering citizen feedback, dialogue and community voice platform to ensure accountability in the development process. We collect critical information from hundreds of communities solving daily problems for citizens and closing the loop on challenges related to everything from migration, to human trafficking, to natural resource management and security issues. Accountability Lab has run Civic Actions Teams in Nepal, Liberia, Pakistan, Mali, Nigeria, South Africa and Zimbabwe.

**Coalition-Building, Policy Change and Advocacy** - Accountability Lab is well placed to source ideas from the bottom-up that can inform policy decisions made from the top-down, making them more citizen-centric and inclusive. Accountability Lab also has networks at the policy-level, both nationally and internationally, that it can leverage to begin to change laws, approaches and systems in ways that can build accountability. Over time, Accountability Lab has found itself being asked to be a part of collective efforts that are advocating for change to the status-quo, these include the C20, TAP Network, Open Government Partnership (amongst others).

**Integrity Icon** - Integrity Icon is a global movement - on the ground, online and through the media - to celebrate and encourage honest Government officials. Accountability Lab wants to move away from "naming and shaming" corrupt leaders and towards "naming and faming" those bureaucrats that are working with integrity. Integrity Icon is a global campaign carried out in Liberia, Mali, Mexico, Nepal, Nigeria, Pakistan, South Africa, Somaliland, DRC, Zimbabwe and in partnership in Sri Lanka with millions of viewers and hundreds of thousands of voters.

**OpenGov Hubs/Innovation Spaces** - There are often very few, managed spaces where young people can come-together, get online and collaborate. The OpenGov Hubs provide the locations for our incubator and campaign activities (including trainings, events and management) but also serve as places for collaboration, eco-system development and accountability practice building.

For Accountability Lab, an important part of supporting a movement for accountability is bringing together a broad set of creative stakeholders, from film-makers to activists to ICT experts to Government information officers, in open, creative spaces physically and intellectually. Accountability Lab currently runs OpenGov Hubs in Nepal, Mali, Pakistan; and an affiliate (called iCampus) in Liberia.

ACCOUNTABILITY LAB, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

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

Organization (continued) -

**Arts4Change** - Accountability Lab's music and film campaigns ("Rap2Rep" or "Rap to be Represented") engage young people through music, film and the arts to allow them to develop their own voice, and connect to audiences around accountability-themed songs. Accountability Lab currently operates the program in Liberia, Nigeria, DRC, Nepal and Zimbabwe.

**Hackcorruption** - Accountability Lab brings together diverse and talented individuals from the civic tech, CSO, and activist arenas, to build innovative solutions to combat corruption. Together, they develop, track, refine, and apply new and existing technological solutions to systemic challenges of corruption.

The program starts with the selection and orientation of diverse regional teams from the targeted countries. These teams then develop early prototypes of their solutions and pitch them to a panel of judges. The teams with selected solutions participate in a bootcamp and receive \$10,000 USD to support the development and launch of their solution. Through the design, development, and launch of solutions, teams also receive ongoing support and are linked with a network of others working in the same space. Participants have been asked to build tools in response to these problem sets:

- Budget and Ownership Transparency Ideas that lead to greater budget transparency for government agencies and beneficial ownership transparency in the private sector.
- Open Contracting and Transparency of Public Procurement solutions to reduce corruption and fraud in the public contracting process by increasing transparency and ensuring proper delivery of essential public goods and services to citizens.
- Digital Citizenship to Constrain Corruption solutions that increase civic participation to collectively solve problems, such as protecting digital civic space, enabling safe whistleblowing, or monitoring and ensuring the proper delivery of government goods and services.

25 innovators from 17 countries have participated in 3 regional hackathons since July 2022. Project partners are currently supporting the development of 19 new anti-corruption tools.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to nonprofit 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** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

ACCOUNTABILITY LAB, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

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

Basis of presentation (continued) -

- **Net Assets with Donor Restrictions (continued)** - Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

Cash and cash equivalents -

Accountability Lab 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, Accountability Lab maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment return, which is presented net of investment expenses paid to external investment advisors, in the accompanying Statement of Activities and Change in Net Assets. Investments acquired by gift, such as donated securities, are recorded at their fair value at the date of the gift.

Grants and contributions receivable -

Grants and contributions receivable include unconditional promises to give that are expected to be collected in future years. Grants and contributions receivable are recorded at their net realizable value, which approximates fair value.

Fixed assets -

Fixed assets in excess of \$1,000 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 seven years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation expense for the year ended December 31, 2023 totaled \$666.

Income taxes -

Accountability Lab is exempt from Federal income taxes under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. Accountability Lab is not a private foundation.

Support from grants and contributions, including Federal awards -

Accountability Lab receives grants and contributions, including Federal awards from the U.S. Government. Grants and contributions are recognized in the appropriate category of net assets in the period received. Accountability Lab performs an analysis of the individual grant and contribution agreements to determine whether the transactions should be accounted for as contributions or exchange transactions, depending on whether they are deemed nonreciprocal or reciprocal in accordance with ASC Topic 958.

**ACCOUNTABILITY LAB, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

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

Support from grants and contributions, including Federal awards (continued) -

For grants and contributions accounted for as contributions, support 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. Contributions, including grants qualifying as contributions, that are unconditional but 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. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

Conditional contributions contain a right of return and a measurable barrier. These contributions are recognized when conditions have been satisfied. Certain grants are for direct and indirect program costs and are considered to be conditional contributions which are recognized as contributions when the amounts become unconditional. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances.

Accountability Lab's refundable advances totaled \$42,805 as of December 31, 2023. In addition, Accountability Lab has obtained funding source agreements related to conditional contributions, such as Federal awards from the U.S. Government, which will be received in future years. Accountability Lab's unrecognized conditional contributions to be received in future years totaled approximately \$5,000,000 as of December 31, 2023.

Use of estimates -

The preparation of the 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 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 Accountability Lab's programs and supporting services have been summarized on a functional basis in the 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 are reported as direct expenses within that functional area and expenses that benefited more than one functional area, such as personnel costs, were allocated based on estimated time and effort.

Risks and uncertainties -

Accountability Lab invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

**ACCOUNTABILITY LAB, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**2. INVESTMENTS AND FAIR VALUE MEASUREMENTS**

In accordance with FASB ASC 820, *Fair Value Measurement*, Accountability Lab 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.

Investments recorded in the 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 Accountability Lab 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 and there were no transfers between levels in the fair value hierarchy during the year ended December 31, 2023. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Money Market Funds* - Money market funds are open-end funds that are registered with the Securities and Exchange Commission (SEC) and are deemed to be actively traded.
- *U.S. Government Securities* - Valued at the closing price reported in the active market in which the individual securities are traded.

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of December 31, 2023:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Investments:</b>				
Money market funds	\$ 3,362	\$ -	\$ -	\$ 3,362
Government securities	252,927	-	-	252,927
<b>TOTAL INVESTMENTS</b>	<b>\$ 256,289</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 256,289</b>

Investment income consisted of the following for the year ended December 31, 2023:

Interest and dividends	\$ 366
Unrealized gain	6,623
Investment fees	(470)
<b>NET INVESTMENT INCOME</b>	<b>\$ 6,519</b>

ACCOUNTABILITY LAB, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023

**3. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consist of the following as of December 31, 2023:

Subject to expenditure for specified purpose:	
Accountability Lab - USA	\$ 202,887
Subject to passage of time	<u>125,000</u>
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b><u>\$ 327,887</u></b>

The following net assets with donor restrictions were released from donor restrictions either by incurring expenses which satisfied the restricted purposes specified by the donors or through the passage of time during the year ended December 31, 2023:

Purpose restrictions accomplished:	
Accountability Lab - USA	\$ 4,849,573
Accountability Lab - All Other Countries	20,085
Passage of time	<u>158,333</u>
<b>TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>	<b><u>\$ 5,027,991</u></b>

**4. LIQUIDITY AND AVAILABILITY**

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following as of December 31, 2023:

Cash and cash equivalents	\$ 576,716
Investments	256,289
Grants and contributions receivable	<u>424,052</u>
Subtotal financial assets available within one year	1,257,057
Less: Donor purpose restricted funds	<u>(202,887)</u>
<b>FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR</b>	<b><u>\$ 1,054,170</u></b>

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

**5. LEASE COMMITMENTS**

Accountability Lab leases shared office space in Washington, D.C. under an agreement that commenced on April 1, 2023 and expires on May 31, 2026. The lease may be terminated by either Accountability Lab or the landlord with two calendar month's notice. Base rent under this agreement is \$2,676 per month. Rent expense for the Washington, D.C. office space was \$35,073 during the year ended December 31, 2023.

Accountability Lab leases a office space in Harare, Zimbabwe under a lease agreement which commenced on June 1, 2020. The lease may be terminated by either Accountability Lab or the landlord with three calendar month's notice. Rent is charged at a rate of \$2,500 per month and is subject to annual review. Rent expense for the Harare, Zimbabwe office space was \$30,000 during the year ended December 31, 2023 and is included in occupancy expense in the accompanying Statement of Functional Expenses.

**ACCOUNTABILITY LAB, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**6. RETIREMENT PLAN**

Accountability Lab provides retirement benefits to its employees through a defined contribution plan that covers all employees 21 years of age or older and who have completed three months of service. Accountability Lab contributes \$5,000 per full time employee that works a full year. Contributions to the Plan during the year ended December 31, 2023 totaled \$29,248.

**7. CONCENTRATION OF REVENUE**

Approximately 81% of Accountability Lab's revenue for the year ended December 31, 2023 was derived from grants awarded by agencies of the United States Government. Accountability Lab has no reason to believe that relationships with these agencies will be discontinued in the foreseeable future. However, any interruption of these relationships (i.e., the failure to renew grant agreements or withholding of funds) would adversely affect Accountability Lab's ability to finance ongoing operations.

**8. CONTINGENCY**

Accountability Lab receives grants from various agencies of the United States Government. Such grants are subject to audit under the provisions of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The ultimate determination of amounts received under the United States Government grants is based upon the allowance of costs reported to and accepted by the United States Government as a result of the audits.

Audits in accordance with the applicable provisions have been completed for all required fiscal years through 2023. Until such audits have been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

**9. TRANSACTIONS WITH ACCOUNTABILITY LAB NETWORK**

During the year ended December 31, 2023, Accountability Lab paid a total of \$2,616,212 to Accountability Lab network partners. Such amounts are included within The following table presents a summary of amounts paid to each partner during the year:

<u>Affiliate</u>	<u>Payments Made</u>
Accountability Lab DRC	\$ 323,234
Accountability Lab Liberia	12,000
Accountability Lab Mali	4,248
Accountability Lab Mexico	85,027
Accountability Lab Nepal	166,442
Accountability Lab Pakistan	299,803
Accountability Lab South Africa	2,707
Accountability Lab Zimbabwe	<u>1,722,751</u>
<b>TOTAL</b>	<b>\$ <u>2,616,212</u></b>

**ACCOUNTABILITY LAB, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**10. STATE OF THE NETHERLANDS GRANT**

Included in the total program services in the Statement of Activities and Change in Net Assets are the State of the Netherlands costs to support the Integrity Icon Somaliland project. Expenses associated with this award for the year ended December 31, 2023 were as follows:

Salaries and benefits	\$	36,730
Office and miscellaneous		5,522
Consultants		45,432
Travel and transportation		<u>10,490</u>
Total direct costs		98,174
Indirect costs		9,817
Safety and security		<u>2,945</u>
<b>TOTAL COSTS</b>	<b>\$</b>	<b><u>110,936</u></b>

**11. SUBSEQUENT EVENTS**

In preparing these financial statements, Accountability Lab has evaluated events and transactions for potential recognition or disclosure through June 26, 2024, the date the financial statements were issued.