

**CONSOLIDATED FINANCIAL STATEMENTS**



**EVIDENCE ACTION, INC.  
AND AFFILIATES**

**FOR THE YEARS ENDED  
DECEMBER 31, 2020 AND 2019**

# EVIDENCE ACTION, INC. AND AFFILIATES

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## CPAs & ADVISORS

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Evidence Action, Inc. and Affiliates  
Washington, D.C.

We have audited the accompanying consolidated financial statements of Evidence Action, Inc. and Affiliates (collectively, the Organization), which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years 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 audits. We did not audit the financial activity of Evidence Action Kenya, Malawi, Uganda and Nigeria, whose statements reflect total assets of \$1,801,869 (2% of total assets) and \$1,835,766 (2% of total assets) as of December 31, 2020 and 2019, respectively, total revenues of \$9,900 (0.04% of total revenues) and \$25,112 (0.07% of total revenues), respectively, and total expenses of \$11,036,455 (47% of total expenses) and \$9,130,595 (37% of total expenses), respectively, for the years ended December 31, 2020 and 2019. Those statements were audited by other auditors, whose reports expressed an unmodified opinion on those statements and have been furnished to us, and our opinion, insofar as it relates to the amounts included for Evidence Action Kenya, Malawi, Uganda and Nigeria, is based solely on the reports of the other auditors dated June 21, 2021, May 25, 2021, July 1, 2021 and June 30, 2021, respectively. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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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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, based on our audit and the reports of other auditors, 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 2019, and the consolidated changes in its net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## 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 22 and the Consolidating Schedule of Activities and Change in Net Assets on pages 23 - 24 is 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.



September 9, 2021

**EVIDENCE ACTION, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2020 AND 2019**

<b>ASSETS</b>		<u>2020</u>	<u>2019</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents:			
Cash held in the United States	\$	11,590,909	\$ 11,267,546
Cash held in foreign jurisdictions		<u>980,701</u>	<u>1,187,706</u>
Total cash and cash equivalents		12,571,610	12,455,252
Investments		65,174,351	63,684,243
Contributions and grants receivable		6,445,182	5,053,687
Accounts, employee, and other receivables, net		1,373,462	1,642,617
Prepaid expenses		<u>626,833</u>	<u>550,213</u>
Total current assets		<u>86,191,438</u>	<u>83,386,012</u>
<b>FIXED ASSETS</b>			
Furniture and equipment		168,525	168,525
Vehicles		<u>223,523</u>	<u>194,397</u>
		392,048	362,922
Less: Accumulated depreciation		<u>(276,514)</u>	<u>(218,996)</u>
Net fixed assets		<u>115,534</u>	<u>143,926</u>
<b>NONCURRENT ASSETS</b>			
Contributions and grants receivable, net of current portion and present value discount		2,531,835	3,865,512
Security deposits		<u>52,136</u>	<u>54,892</u>
Total noncurrent assets		<u>2,583,971</u>	<u>3,920,404</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>88,890,943</u></b>	<b>\$ <u>87,450,342</u></b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Loan payable	\$	500,000	\$ -
Accounts payable and accrued liabilities		1,289,661	1,826,441
Refundable advances		<u>689,253</u>	<u>-</u>
Total liabilities		<u>2,478,914</u>	<u>1,826,441</u>
<b>NET ASSETS</b>			
Without donor restrictions		12,890,430	8,479,305
With donor restrictions		<u>73,521,599</u>	<u>77,144,596</u>
Total net assets		<u>86,412,029</u>	<u>85,623,901</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<b><u>88,890,943</u></b>	<b>\$ <u>87,450,342</u></b>

See accompanying notes to consolidated financial statements.

## EVIDENCE ACTION, INC. AND AFFILIATES

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

	<u>2020</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Contributions	\$ 4,532,028	\$ 4,922,692	\$ 9,454,720
Foundation grants	-	11,550,022	11,550,022
Carbon revenue	2,024,021	-	2,024,021
Investment income	548,275	963,762	1,512,037
Other revenue	98,317	-	98,317
Net assets released from donor restrictions	<u>20,659,082</u>	<u>(20,659,082)</u>	<u>-</u>
Total revenue and support	<u>27,861,723</u>	<u>(3,222,606)</u>	<u>24,639,117</u>
<b>EXPENSES</b>			
Program Services:			
Deworm the World Initiative	8,299,093	-	8,299,093
Dispensers for Safe Water Program	7,770,179	-	7,770,179
Evidence Action Accelerator	<u>2,079,471</u>	<u>-</u>	<u>2,079,471</u>
Total program services	<u>18,148,743</u>	<u>-</u>	<u>18,148,743</u>
Supporting Services:			
Management and General	4,643,236	-	4,643,236
Fundraising	<u>682,916</u>	<u>-</u>	<u>682,916</u>
Total supporting services	<u>5,326,152</u>	<u>-</u>	<u>5,326,152</u>
Total expenses	<u>23,474,895</u>	<u>-</u>	<u>23,474,895</u>
Changes in net assets before other items	<u>4,386,828</u>	<u>(3,222,606)</u>	<u>1,164,222</u>
<b>OTHER ITEMS</b>			
Deobligation and return of grant funds	-	(400,391)	(400,391)
Gain on foreign currency exchange	<u>24,297</u>	<u>-</u>	<u>24,297</u>
Total other items	<u>24,297</u>	<u>(400,391)</u>	<u>(376,094)</u>
Changes in net assets	4,411,125	(3,622,997)	788,128
Net assets at beginning of year	<u>8,479,305</u>	<u>77,144,596</u>	<u>85,623,901</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 12,890,430</u></b>	<b><u>\$ 73,521,599</u></b>	<b><u>\$ 86,412,029</u></b>

## EVIDENCE ACTION, INC. AND AFFILIATES

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

	<b>2019</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUE AND SUPPORT</b>			
Contributions	\$ 3,035,608	\$ 3,819,017	\$ 6,854,625
Foundation grants	96,520	25,449,094	25,545,614
Carbon revenue	155,791	-	155,791
Investment income	381,654	1,622,491	2,004,145
Other revenue	10,839	-	10,839
Net assets released from donor restrictions	<u>23,933,179</u>	<u>(23,933,179)</u>	<u>-</u>
Total revenue and support	<u>27,613,591</u>	<u>6,957,423</u>	<u>34,571,014</u>
<b>EXPENSES</b>			
Program Services:			
Deworm the World Initiative	12,395,444	-	12,395,444
Dispensers for Safe Water Program	4,581,610	-	4,581,610
Evidence Action Accelerator	<u>3,719,731</u>	<u>-</u>	<u>3,719,731</u>
Total program services	<u>20,696,785</u>	<u>-</u>	<u>20,696,785</u>
Supporting Services:			
Management and General	3,341,243	-	3,341,243
Fundraising	<u>357,383</u>	<u>-</u>	<u>357,383</u>
Total supporting services	<u>3,698,626</u>	<u>-</u>	<u>3,698,626</u>
Total expenses	<u>24,395,411</u>	<u>-</u>	<u>24,395,411</u>
Changes in net assets before other items	<u>3,218,180</u>	<u>6,957,423</u>	<u>10,175,603</u>
<b>OTHER ITEMS</b>			
Deobligation and return of grant funds	-	(632,782)	(632,782)
Gain on foreign currency exchange	<u>45,647</u>	<u>-</u>	<u>45,647</u>
Total other items	<u>45,647</u>	<u>(632,782)</u>	<u>(587,135)</u>
Changes in net assets	3,263,827	6,324,641	9,588,468
Net assets at beginning of year, as restated	<u>5,215,478</u>	<u>70,819,955</u>	<u>76,035,433</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 8,479,305</u></b>	<b><u>\$ 77,144,596</u></b>	<b><u>\$ 85,623,901</u></b>

**EVIDENCE ACTION, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Program Services				Supporting Services			Total Expenses
	Deworm the World Initiative	Dispensers for Safe Water Program	Evidence Action Accelerator	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 1,842,920	\$ 1,541,323	\$ 693,832	\$ 4,078,075	\$ 2,429,901	\$ 504,002	\$ 2,933,903	\$ 7,011,978
Payroll taxes and employee benefits	408,690	498,459	146,199	1,053,348	445,812	96,182	541,994	1,595,342
Contract services	2,943,905	129,351	1,148,393	4,221,649	659,251	14,931	674,182	4,895,831
Occupancy	155,210	259,741	44,152	459,103	226,647	26,709	253,356	712,459
Office expenses	200,048	358,369	4,973	563,390	98,308	8,583	106,891	670,281
Program management and material	1,111,142	4,501,472	1,259	5,613,873	30,314	-	30,314	5,644,187
Travel	513,285	320,889	33,602	867,776	15,862	955	16,817	884,593
Information technology	29,424	100,383	6,511	136,318	233,228	31,554	264,782	401,100
Insurance	4,290	4,805	37	9,132	24,451	-	24,451	33,583
Conferences and meetings	115,936	38,432	277	154,645	495	-	495	155,140
Grant awards	913,717	-	-	913,717	-	-	-	913,717
Bank finance charges, taxes and fees	9,937	10,861	207	21,005	16,619	-	16,619	37,624
Donation processing fees	33,826	4,568	29	38,423	27,314	-	27,314	65,737
Bad debt	-	-	-	-	395,805	-	395,805	395,805
Depreciation	16,763	1,526	-	18,289	39,229	-	39,229	57,518
<b>TOTAL</b>	<b><u>\$ 8,299,093</u></b>	<b><u>\$ 7,770,179</u></b>	<b><u>\$ 2,079,471</u></b>	<b><u>\$18,148,743</u></b>	<b><u>\$ 4,643,236</u></b>	<b><u>\$ 682,916</u></b>	<b><u>\$ 5,326,152</u></b>	<b><u>\$ 23,474,895</u></b>

See accompanying notes to consolidated financial statements.



**EVIDENCE ACTION, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Program Services			Supporting Services				Total Expenses
	Deworm the World Initiative	Dispensers for Safe Water Program	Evidence Action Accelerator	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 1,856,354	\$ 1,373,057	\$ 1,460,068	\$ 4,689,479	\$ 1,681,162	\$ 259,051	\$ 1,940,213	\$ 6,629,692
Payroll taxes and employee benefits	368,382	419,970	262,341	1,050,693	330,527	45,316	375,843	1,426,536
Contract services	5,923,741	125,497	1,782,867	7,832,105	357,485	8,894	366,379	8,198,484
Occupancy	125,896	244,515	62,973	433,384	330,604	12,537	343,141	776,525
Office expenses	231,209	278,224	34,444	543,877	182,380	6,503	188,883	732,760
Program management and material	1,334,389	1,723,880	1,376	3,059,645	1,620	-	1,620	3,061,265
Travel	1,172,168	297,301	94,015	1,563,484	69,791	1,355	71,146	1,634,630
Information technology	29,264	62,753	11,448	103,465	224,042	23,727	247,769	351,234
Insurance	1,728	837	321	2,886	61,778	-	61,778	64,664
Conferences and meetings	259,338	42,451	7,939	309,728	33,184	-	33,184	342,912
Grant awards	1,032,358	-	-	1,032,358	-	-	-	1,032,358
Bank finance charges, taxes and fees	42,820	9,228	1,939	53,987	38,346	-	38,346	92,333
Depreciation	17,797	3,897	-	21,694	30,324	-	30,324	52,018
<b>TOTAL</b>	<b>\$ 12,395,444</b>	<b>\$ 4,581,610</b>	<b>\$ 3,719,731</b>	<b>\$ 20,696,785</b>	<b>\$ 3,341,243</b>	<b>\$ 357,383</b>	<b>\$ 3,698,626</b>	<b>\$ 24,395,411</b>

See accompanying notes to consolidated financial statements.

**EVIDENCE ACTION, INC. AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 788,128	\$ 9,588,468
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	57,518	52,018
Net realized and unrealized gain on investments	(789,092)	(670,793)
Receipt of donated securities	(61,557)	(179,741)
Proceeds from sale of donated securities	61,854	180,780
Realized gain on sale of donated securities	(297)	(1,039)
Change in discount on long-term receivables	(172,063)	157,828
Change in allowance for doubtful accounts	395,805	-
(Increase) decrease in:		
Contributions and grants receivable	(281,560)	(6,432,847)
Accounts, employee, and other receivables, net	269,155	(598,786)
Prepaid expenses	(76,620)	(357,655)
Security deposits	2,756	43,407
(Decrease) increase in:		
Accounts payable and accrued liabilities	(536,780)	858,040
Refundable advances	<u>689,253</u>	<u>-</u>
Net cash provided by operating activities	<u>346,500</u>	<u>2,639,680</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(29,126)	(96,811)
Purchases of investments	<u>(701,016)</u>	<u>(1,315,254)</u>
Net cash used in investing activities	<u>(730,142)</u>	<u>(1,412,065)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from loan payable	<u>500,000</u>	<u>-</u>
Net cash provided by financing activities	<u>500,000</u>	<u>-</u>
Net increase in cash and cash equivalents	116,358	1,227,615
Cash and cash equivalents at beginning of year	<u>12,455,252</u>	<u>11,227,637</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 12,571,610</u></b>	<b><u>\$ 12,455,252</u></b>

**EVIDENCE ACTION, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

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

Organizations -

Evidence Action, Inc. (Evidence Action) is a 501(c)(3) non-profit organization, incorporated and headquartered in the District of Columbia. Evidence Action has assumed the management and growth responsibility of three programs (see program descriptions on pages 11 and 12) that are currently making a difference in the lives of millions of people in Africa and Asia.

Evidence Action maintains a branch office and affiliate organizations to facilitate operations outside of the United States. These offices and organizations were established to conduct Evidence Action's in-country work to help ensure compliance with local laws and to minimize risk to overall operations. Evidence Action transfers cash to its branches and affiliates on a regular basis to ensure there is sufficient funding to implement its programs and meet ongoing commitments. In accordance with accounting principles generally accepted in the United States of America, consolidation is required if an organization has control (i.e., major voting interest) and significant economic interest in that other organization. Where applicable, it provides letters of comfort to these affiliate organizations confirming future financial support. Net assets of the affiliates are included in Evidence Action's consolidated net assets. On dissolution of these entities, any remaining net assets will be returned to Evidence Action. These branch offices and affiliated organizations include:

**Evidence Action Kenya:** Branch office, established in 2013, under a Certificate of Compliance as required by Section 366 of the Companies Act. The principal activity of the Kenya branch is to develop and de-risk business models for programs that aim to reduce poverty and spur growth in developing countries.

**Evidence Action Uganda:** Subsidiary non-profit organization, established in 2014 under the Companies Act of Uganda as a company limited by guarantee. Evidence Action Uganda was established for purposes of conducting Evidence Action's programmatic work in Uganda whose principal activity is to promote access to safe water.

**Evidence Action Malawi:** Subsidiary non-profit organization, established in 2014 and incorporated in 2017, as a private company limited by guarantee under the Malawi Companies Act, No. 15 of 2013. Evidence Action Malawi's principal activity is to scale proven development solutions to benefit millions of people around the world through the Dispensers for Safe Water Program.

**Evidence Action Development Initiative Ltd/GTE (Nigeria):** An organization established and incorporated in 2018 under the Companies and Allied Matters Act 1990 in Nigeria, as a private company limited by guarantee. Evidence Action Nigeria is dedicated to providing a school based deworming program of school children.

**Evidence Action PTY LTD (Australia):** An organization established in 2016 under the Corporations Act 2001 in Australia to conduct Evidence Action's work in Australia and ensure compliance with local laws.

**EAll, LLC:** A 501(c)(3) non-profit organization, incorporated and established in 2020 in the District of Columbia. EAll, LLC focuses on health, education, poverty and the environment of impoverished persons and communities in developing countries. Evidence Action is the sole member of EAll, LLC. During the year ended December 31, 2020, EAll, LLC had no activity.

## EVIDENCE ACTION, INC. AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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

Organizations (continued) -

**EAll Advisors Private Limited:** An organization established in 2020 as a Section 7 private limited company (under the Companies Act of 2013) to act as Evidence Action's technical advisor in India as per the applicable Indian laws. During the year ended December 31, 2020, EAll Advisors Private Limited had no activity.

Principles of consolidation -

The consolidated financial statements include the accounts of Evidence Action, Inc. (including its branch office in Kenya) and affiliated entities (Evidence Action Uganda, Evidence Action Malawi, Evidence Action Australia, Evidence Action Nigeria, EAll, LLC, and EAll Advisors Private Limited), collectively referred to as "the Organization." All intercompany transactions and balances have been eliminated in consolidation.

Basis of presentation -

The accompanying consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America for 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 Statements of Activities and Changes in Net Assets as net assets released from donor restrictions. 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.

Program services -

**Deworm the World Initiative:** Evidence Action's Deworm the World Initiative helps to translate evidence into widespread practice by advocating for deworming to policymakers and providing technical assistance to launch, strengthen and sustain deworming programs. Evidence Action works directly with governments to rapidly scale programs targeting all at-risk school-age children. Regular deworming results in improved education, health, and long-term well-being for treated children.

## EVIDENCE ACTION, INC. AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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

Program services (continued) -

**Dispensers for Safe Water Program:** Chlorine dispensers are an innovative, low-cost approach proven to increase rates of household chlorination of drinking water in rural areas of Sub-Saharan Africa. Chlorine disinfects drinking water while protecting it from recontamination for up to 72 hours. Evidence Action has continued to see high adoption rates of around 57% as they continue to operate in Kenya, Uganda and Malawi. Evidence Action is providing over four million people with access to safe water.

**Evidence Action Accelerator:** Evidence Action accelerator drives new program development, selecting high-potential interventions with massive opportunity for evidence-based, cost-effective impact. The Accelerator tests and refines delivery models with the goal of rapidly scaling interventions with levels of impact similar to our existing programs.

New accounting pronouncements adopted -

During 2019, the Organization early adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), as amended. The ASU provides a framework for recognizing revenue and is intended to improve comparability of revenue recognition practices across for-profit and non-profit entities. Analysis of the various provisions of this standard resulted in no significant changes in the way Evidence Action recognized revenue; however, the presentation and disclosures of revenue have been enhanced. Evidence Action has elected to opt out of all (or certain) disclosures not required for nonpublic entities and also elected a modified retrospective approach for implementation.

Also, 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.

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.

The Organization maintains numerous bank accounts in foreign countries, which are largely uninsured. Total cash and cash equivalents held outside the United States was \$980,701 and \$1,187,706 as of December 31, 2020 and 2019, respectively.

Foreign currency translation -

The U.S. Dollar is the functional currency for the Organization. Current assets and liabilities denominated in non-U.S. currency are translated into dollars at the exchange rate in effect at the date of the Consolidated Statements of Financial Position.

**EVIDENCE ACTION, INC. AND AFFILIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

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

Foreign currency translation (continued) -

Gains and losses on translation of foreign currencies are recorded in the Consolidated Statements of Activities and Changes in Net Assets. Such gains and losses are not material to the consolidated financial statements.

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses net of investment fees are included in investment income in the Consolidated Statements of Activities and Changes in Net Assets. Investments acquired by gift are recorded at their fair value at the date of the gift. Evidence Action's policy is to liquidate all gifts of investments as soon as possible after the gift.

Receivables -

Contributions and grants receivable are presented at estimated fair value. Contributions and grants receivable that are expected to be collected in future years are recorded at their fair value, measured as the present value of their estimated 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. Accretion of the discounts is included in contributions and grants revenue.

Accounts, employee and other receivables are expected to be collected within one year. The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and historical experience. As a result of these reviews, management establishes an allowance as a best estimate of probable losses. All contribution and grants receivable balances, or portions thereof, that are deemed to be uncollectible, or that require excessive collection cost, are written off. Applying the direct write off method does not produce results that are materially different from an allowance applied on an ongoing basis.

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. Depreciation expense for the years ended December 31, 2020 and 2019 totaled \$57,518 and \$52,018, respectively.

Income taxes -

Evidence Action 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. Evidence Action is not a private foundation.

EAll, LLC is wholly owned by Evidence Action and is considered a disregarded entity by the Internal Revenue Services. As such, EAll, LLC's activity is reported each year on Evidence Action's tax filing.

## EVIDENCE ACTION, INC. AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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

##### Income taxes (continued) -

Evidence Action Uganda, Evidence Action Malawi, and Evidence Action Nigeria are registered (in each respective country) as tax-exempt organizations. Evidence Action Australia and EAI Advisors Private Limited are not tax-exempt organizations; however, no tax was incurred by either entity for the years ended December 31, 2020 and 2019.

##### Uncertain tax positions -

For the years ended December 31, 2020 and 2019, the Organization has considered potential 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 -

Contributions and grants are recognized in the appropriate category of net assets in the period received. Evidence Action performs an analysis of the individual contribution and grant 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.

For contributions and grants qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Contributions and grants 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. Funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying consolidated financial statements.

Contributions or grants qualifying as conditional contributions contain a right of return from obligation provision that limits Evidence Action 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. Evidence Action 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 contributions and grants treated as conditional contributions, Evidence Action had \$689,253 and \$0 in unrecognized awards as of December 31, 2020 and 2019, respectively.

Grants classified as exchange transactions follow ASU 2014-09, *Revenue from Contracts With Customers* and record revenue when the performance obligations are met. The revenue is recorded directly to without donor restrictions and the transaction price is based on expenses incurred in compliance with the criteria stipulated in the grant or contract agreements. Contributions and grants receivable represents amounts due from funding organizations for reimbursable expenses incurred in accordance with the grant and contract agreements.

##### Carbon revenue -

Carbon revenue is generated by the sale of Certified Emission Reductions generated by the Dispensers for Safe Water Program under the UNFCCC's Clean Development Mechanism.

## EVIDENCE ACTION, INC. AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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

##### Carbon revenue (continued) -

Carbon revenue is recognized as revenue when the performance obligation is met which is when the carbon emission reduction credits are issued. The transaction price is determined based on sales price.

##### Contributed services -

Contributed services consist of pro-bono legal services. Contributed services are recorded at their estimated fair value as of the date of the gift based upon the donors' and management's estimates. During the years ended December 31, 2020 and 2019, Evidence Action received \$9,000 and \$90,000 of contributed services, respectively, which is included in contributions in the accompanying Consolidated Statements of Activities and Changes in Net Assets.

##### 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 significantly 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 Statements of Activities and Changes 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.

##### Risks and uncertainties -

The Organization 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 consolidated financial statements.

##### Foreign currency translation -

The U.S. Dollar is the functional currency for the Organization. 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. Assets and liabilities denominated in non-U.S. currency are translated into dollars at the exchange rate in effect as of the date of the Consolidated Statements of Financial Position. Gains and losses on translation of foreign currencies are included in the Consolidated Statements of Activities and Changes in Net Assets.



## EVIDENCE ACTION, INC. AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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

##### Fair value measurement -

The Organization utilizes a framework for measuring fair value based upon a fair value hierarchy utilizing inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) to measure fair value, and enhances disclosure requirements for fair value measurements. The Organization accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

##### New accounting pronouncement not yet adopted -

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 Statements 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 methods and the impact of the new standard on its accompanying consolidated financial statements.

##### 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 Evidence Action's operations. The overall potential impact is unknown at this time.

#### 2. INVESTMENTS

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. Investments recorded in the Consolidated Statements 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.

**EVIDENCE ACTION, INC. AND AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**2. INVESTMENTS (Continued)**

**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 and 2019. There were no transfers between levels in the fair value hierarchy during the years ended December 31, 2020 and 2019. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Mutual funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual funds held by the Organization are deemed to be actively traded.
- *Exchange-traded funds* - Valued at the closing price reported on the active market in which the individual securities are traded (typically tracks an index).

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Asset Class:</b>				
Mutual funds	\$ 36,160,982	\$ -	\$ -	\$ 36,160,982
Exchange-traded funds	<u>29,013,369</u>	<u>-</u>	<u>-</u>	<u>29,013,369</u>
<b>TOTAL</b>	<b><u>\$ 65,174,351</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 65,174,351</u></b>

The table below summarizes, by level within the fair value hierarchy, the Organization's investments as of December 31, 2019:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Asset Class:</b>				
Mutual funds	\$ 35,976,360	\$ -	\$ -	\$ 35,976,360
Exchange-traded funds	<u>27,707,883</u>	<u>-</u>	<u>-</u>	<u>27,707,883</u>
<b>TOTAL</b>	<b><u>\$ 63,684,243</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 63,684,243</u></b>

Included in investment income are the following during the years ended December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 722,945	\$ 1,333,352
Net realized and unrealized gain	<u>789,092</u>	<u>670,793</u>
<b>TOTAL INVESTMENT INCOME</b>	<b><u>\$ 1,512,037</u></b>	<b><u>\$ 2,004,145</u></b>

**3. CONTRIBUTIONS AND GRANTS RECEIVABLE**

Contributors to the Organization have made written promises to give, of which \$9,059,302 and \$9,173,547, respectively, remained due and outstanding as of December 31, 2020 and 2019.

**EVIDENCE ACTION, INC. AND AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**3. CONTRIBUTIONS AND GRANTS RECEIVABLE (Continued)**

Contributions and grants due in more than one year have been recorded at the present value of the estimated cash flows, using a discount rate of 3.25% and 4.75% for the years ended December 31, 2020 and 2019, respectively.

Contributions and grants are due as follows as of December 31, 2020 and 2019:

	<b>2020</b>	<b>2019</b>
Less than one year	\$ 6,445,182	\$ 5,053,687
One to five years	2,614,120	4,119,860
Total	9,059,302	9,173,547
Less: Allowance to discount estimated cash flows to present value	(82,285)	(254,348)
	8,977,017	8,919,199
Less: Current portion	(6,445,182)	(5,053,687)
<b>CONTRIBUTIONS AND GRANTS RECEIVABLE, NET OF CURRENT PORTION AND PRESENT VALUE DISCOUNT</b>	<b>\$ 2,531,835</b>	<b>\$ 3,865,512</b>

**4. LOAN PAYABLE**

On May 1, 2020, Evidence Action received loan proceeds in the amount of \$500,000 under the Paycheck Protection Program. The promissory note calls for monthly principal and interest payments amortized over the two-year term of the promissory note with a deferral of payments for the first six months. The annual interest rate is 1%.

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. Evidence Action used the proceeds for purposes consistent with the Paycheck Protection Program and believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan. Evidence Action applied for forgiveness after completing the 24-week period. Evidence Action will record contribution revenue during the period that forgiveness is approved. Principal payments as stated in the promissory note are due as follows unless otherwise forgiven:

<b>Year Ending December 31, 2021</b>	<b>\$ 500,000</b>
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**5. NET ASSETS WITHOUT DONOR RESTRICTIONS**

As of December 31, 2020 and 2019, net assets without donor restrictions includes the following:

	<b>2020</b>	<b>2019</b>
Board designated net assets:		
Operating reserve	\$ 2,591,968	\$ 1,543,945
Undesignated net assets	10,298,462	6,935,360
<b>TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<b>\$ 12,890,430</b>	<b>\$ 8,479,305</b>

**EVIDENCE ACTION, INC. AND AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**6. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consist of the following as of December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Deworm the World Initiative	\$ 50,793,092	\$ 50,708,336
Dispensers for Safe Water Program	4,399,732	6,177,056
Evidence Action Accelerator	8,675,688	9,990,160
Organizational Strengthening	<u>9,653,087</u>	<u>10,269,044</u>
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b><u>\$ 73,521,599</u></b>	<b><u>\$ 77,144,596</u></b>

The following net assets with donor restrictions were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors:

	<u>2020</u>	<u>2019</u>
Program expenses including administrative costs:		
Deworm the World Initiative	\$ 9,691,066	\$ 14,561,477
Dispensers for Safe Water Program	7,907,250	2,430,714
Evidence Action Accelerator	2,425,494	6,899,115
Organizational Strengthening	<u>635,272</u>	<u>41,873</u>
<b>TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>	<b><u>\$ 20,659,082</u></b>	<b><u>\$ 23,933,179</u></b>

**7. LIQUIDITY AND AVAILABILITY**

Financial assets available for use for general expenditures within one year of the Consolidated Statements of Financial Position date comprise the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Cash held in the United States	\$ 11,590,909	\$ 11,267,546
Cash held in foreign jurisdictions	980,701	1,187,706
Investments	65,174,351	63,684,243
Contributions and grants receivable	8,977,017	8,919,199
Accounts, employee, and other receivables, net	<u>1,373,462</u>	<u>1,642,617</u>
Subtotal financial assets	88,096,440	86,701,311
Less: Donor restricted funds	(73,521,599)	(77,144,596)
Less: Board-designated funds	<u>(2,591,968)</u>	<u>(1,543,945)</u>
<b>FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR</b>	<b><u>\$ 11,982,873</u></b>	<b><u>\$ 8,012,770</u></b>

The Organization is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year.

## EVIDENCE ACTION, INC. AND AFFILIATES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

#### 7. LIQUIDITY AND AVAILABILITY (Continued)

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments.

#### 8. LEASE COMMITMENTS

On March 19, 2018, the Organization entered into a 42-month agreement ending October 31, 2021 to lease office space in Washington, D.C. Base rent is \$294,170 a year, increasing by a factor of 4% per year. The lease includes six months of abated rent at a rate of 50% in the first year of the lease.

On June 14, 2021, the Organization entered into a 74-month agreement ending November 30, 2027 to sublease office space in Washington, D.C. The lease agreement will commence on October 1, 2021. Base rent is \$191,488 per annum, increasing by a factor of 4% per year. The lease includes 50% of abated rent for fourteen months in the first two years of the lease.

In addition, the Organization leases office space under agreements in the Republic of Kenya, the Republic of Uganda, the Republic of Malawi and the Republic of Nigeria. These operating leases expire in various years through 2022.

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

<u>Year Ending December 31,</u>	
2021	\$ 394,738
2022	154,649
2023	201,142
2024	209,185
2025	217,552
Thereafter	<u>441,367</u>
	<u><b>\$ 1,618,633</b></u>

Occupancy costs (including utilities) for the years ended December 31, 2020 and 2019 totaled \$712,459 and \$776,525, respectively.

#### 9. RETIREMENT PLAN

The Organization provides retirement benefits to its eligible employees. The type of plan and matching contribution differ in each country in which it has operations, with a maximum employer contribution of 10%. Contributions to the Plans during the years ended December 31, 2020 and 2019 totaled \$392,579 and \$313,839, respectively.

#### 10. DEOBLIGATION AND RETURN OF GRANT FUNDS

During the years ended December 31, 2020 and 2019, funders deobligated grant funds of \$400,391 and \$632,782 previously awarded to the Organization, respectively, which is reflected as an Other item in the accompanying Consolidated Statements of Activities and Changes in Net Assets.

**EVIDENCE ACTION, INC. AND AFFILIATES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**11. CONCENTRATION OF REVENUE**

For the years ended December 31, 2020 and 2019, approximately 30% and 44%, respectively, of the Organization's revenue was derived from grants awarded by three donors. While any interruption of relationships with these donors could adversely affect the Organization's financial position, it is confident that it has a stable and diversified base as well as substantial net assets and operating reserves to continue ongoing operations if any of the relationships with the donors are discontinued.

**12. RELATED ENTITIES**

The Organization maintains service agreements with Pramanit Karya India Private Limited (PKIPL) for consulting services. While the Organization provides 100% of PKIPL's revenue during any given financial year (March 31st fiscal year-end), it does not maintain significant influence (or exercise control) over PKIPL, and therefore, the financial activities are not consolidated in these financial statements. On April 1, 2018, a three year service agreement was executed. During the years ended December 31, 2020 and 2019, the Organization paid PKIPL \$3,340,262 and \$5,839,888, respectively, for consulting related services.

Subsequent to December 31, 2020, the service agreement with PKIPL was terminated.

**13. SUBSEQUENT EVENTS**

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through September 9, 2021, the date the consolidated financial statements were issued.

On March 10, 2021, Evidence Action established EAI 3, LLC, a 501(c)(3) non-profit organization, incorporated in the District of Columbia. EAI 3, LLC focuses on health, education, poverty and the environment of impoverished persons and communities in developing countries. Evidence Action is the sole member of EAI 3, LLC.

## **SUPPLEMENTAL INFORMATION**

**EVIDENCE ACTION, INC. AND AFFILIATES**  
**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2020**

**ASSETS**

	Evidence Action, Inc.	Evidence Action Kenya	Evidence Action Uganda	Evidence Action Malawi	Evidence Action Nigeria	Eliminations	Total
<b>CURRENT ASSETS</b>							
Cash and cash equivalents	\$ 11,590,909	\$ 349,879	\$ 6,266	\$ 62,791	\$ 561,765	\$ -	\$ 12,571,610
Investments	65,174,351	-	-	-	-	-	65,174,351
Contributions and grants receivable	6,445,182	-	-	-	-	-	6,445,182
Accounts, employee and other receivables, net	37,962,222	368,362	-	909	42,441	(37,000,472)	1,373,462
Prepaid expenses	248,344	251,357	108,482	14,530	4,120	-	626,833
Total current assets	121,421,008	969,598	114,748	78,230	608,326	(37,000,472)	86,191,438
<b>FIXED ASSETS</b>							
Furniture and equipment	123,543	-	-	-	44,982	-	168,525
Vehicles	223,523	-	-	-	-	-	223,523
	347,066	-	-	-	44,982	-	392,048
Less: Accumulated depreciation	(242,777)	-	-	-	(33,737)	-	(276,514)
Net fixed assets	104,289	-	-	-	11,245	-	115,534
<b>NONCURRENT ASSETS</b>							
Contributions and grants receivable, net of current portion and present value discount	2,531,835	-	-	-	-	-	2,531,835
Deposits	32,414	17,309	601	1,812	-	-	52,136
Total noncurrent assets	2,564,249	17,309	601	1,812	-	-	2,583,971
<b>TOTAL ASSETS</b>	<b>\$ 124,089,546</b>	<b>\$ 986,907</b>	<b>\$ 115,349</b>	<b>\$ 80,042</b>	<b>\$ 619,571</b>	<b>\$(37,000,472)</b>	<b>\$ 88,890,943</b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>							
Loan payable	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Accounts payable and accrued liabilities	9,519,062	19,714,061	3,424,914	2,674,823	2,862,146	(36,905,345)	1,289,661
Refundable advances	195,346	-	-	-	493,907	-	689,253
Total liabilities	10,214,408	19,714,061	3,424,914	2,674,823	3,356,053	(36,905,345)	2,478,914
<b>NET ASSETS</b>							
Without donor restrictions	40,353,664	(18,727,154)	(3,309,565)	(2,594,906)	(2,736,482)	(95,127)	12,890,430
With donor restrictions	73,521,474	-	-	125	-	-	73,521,599
Total net assets	113,875,138	(18,727,154)	(3,309,565)	(2,594,781)	(2,736,482)	(95,127)	86,412,029
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 124,089,546</b>	<b>\$ 986,907</b>	<b>\$ 115,349</b>	<b>\$ 80,042</b>	<b>\$ 619,571</b>	<b>\$(37,000,472)</b>	<b>\$ 88,890,943</b>



**EVIDENCE ACTION, INC. AND AFFILIATES**  
**CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGE IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	Without Donor Restrictions						
	Evidence Action, Inc.	Evidence Action Kenya	Evidence Action Uganda	Evidence Action Malawi	Evidence Action Nigeria	Eliminations	Total
<b>REVENUE AND SUPPORT</b>							
Contributions	\$ 4,523,028	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,523,028
Foundation grants	-	-	-	-	-	-	-
Carbon revenue	2,024,021	-	-	-	-	-	2,024,021
Investment income	548,275	-	-	-	-	-	548,275
Contributed services	9,000	-	-	-	-	-	9,000
Other revenue	88,417	9,900	-	-	-	-	98,317
Net assets released from donor restrictions	20,659,082	-	-	-	-	-	20,659,082
Total revenue	<u>27,851,823</u>	<u>9,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,861,723</u>
<b>EXPENSES</b>							
Program Services:							
Deworm the World Initiative	5,126,947	2,152,678	891	-	1,018,577	-	8,299,093
Dispensers for Safe Water Program	121,494	4,641,610	1,784,167	1,222,908	-	-	7,770,179
Evidence Action Accelerator	2,068,331	11,140	-	-	-	-	2,079,471
Total program services	<u>7,316,772</u>	<u>6,805,428</u>	<u>1,785,058</u>	<u>1,222,908</u>	<u>1,018,577</u>	<u>-</u>	<u>18,148,743</u>
Supporting Services:							
Management and General	4,438,752	136,403	38,836	25,901	3,344	-	4,643,236
Fundraising	682,916	-	-	-	-	-	682,916
Total supporting services	<u>5,121,668</u>	<u>136,403</u>	<u>38,836</u>	<u>25,901</u>	<u>3,344</u>	<u>-</u>	<u>5,326,152</u>
Total expenses	<u>12,438,440</u>	<u>6,941,831</u>	<u>1,823,894</u>	<u>1,248,809</u>	<u>1,021,921</u>	<u>-</u>	<u>23,474,895</u>
Change in net assets before other items	<u>15,413,383</u>	<u>(6,931,931)</u>	<u>(1,823,894)</u>	<u>(1,248,809)</u>	<u>(1,021,921)</u>	<u>-</u>	<u>4,386,828</u>
<b>OTHER ITEMS</b>							
Deobligation and return of grant funds	-	-	-	-	-	-	-
Gain on foreign currency exchange	(1,028)	(4,615)	4,170	21,266	91,434	(86,930)	24,297
Total other items	<u>(1,028)</u>	<u>(4,615)</u>	<u>4,170</u>	<u>21,266</u>	<u>91,434</u>	<u>(86,930)</u>	<u>24,297</u>
Change in net assets	15,412,355	(6,936,546)	(1,819,724)	(1,227,543)	(930,487)	(86,930)	4,411,125
Net asset at beginning of year	24,941,309	(11,790,608)	(1,489,841)	(1,367,363)	(1,805,995)	(8,197)	8,479,305
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 40,353,664</u></b>	<b><u>\$ (18,727,154)</u></b>	<b><u>\$ (3,309,565)</u></b>	<b><u>\$ (2,594,906)</u></b>	<b><u>\$ (2,736,482)</u></b>	<b><u>\$ (95,127)</u></b>	<b><u>\$ 12,890,430</u></b>

**EVIDENCE ACTION, INC. AND AFFILIATES**

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

	With Donor Restrictions						Total	Total
	Evidence Action, Inc.	Evidence Action Kenya	Evidence Action Uganda	Evidence Action Malawi	Evidence Action Nigeria	Eliminations		
<b>REVENUE AND SUPPORT</b>								
Contributions	\$ 4,922,692	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,922,692	\$ 9,445,720
Foundation grants	11,550,022	-	-	-	-	-	11,550,022	11,550,022
Carbon revenue	-	-	-	-	-	-	-	2,024,021
Investment income	963,637	-	-	125	-	-	963,762	1,512,037
Contributed services	-	-	-	-	-	-	-	9,000
Other revenue	-	-	-	-	-	-	-	98,317
Net assets released from donor restrictions	(20,659,082)	-	-	-	-	-	(20,659,082)	-
Total revenue	(3,222,731)	-	-	125	-	-	(3,222,606)	24,639,117
<b>EXPENSES</b>								
Program Services:								
Deworm the World Initiative	-	-	-	-	-	-	-	8,299,093
Dispensers for Safe Water Program	-	-	-	-	-	-	-	7,770,179
Evidence Action Accelerator	-	-	-	-	-	-	-	2,079,471
Total program services	-	-	-	-	-	-	-	18,148,743
Supporting Services:								
Management and General	-	-	-	-	-	-	-	4,643,236
Fundraising	-	-	-	-	-	-	-	682,916
Total supporting services	-	-	-	-	-	-	-	5,326,152
Total expenses	-	-	-	-	-	-	-	23,474,895
Change in net assets before other items	(3,222,731)	-	-	125	-	-	(3,222,606)	1,164,222
<b>OTHER ITEMS</b>								
Deobligation and return of grant funds	(400,391)	-	-	-	-	-	(400,391)	(400,391)
Gain on foreign currency exchange	-	-	-	-	-	-	-	24,297
Total other items	(400,391)	-	-	-	-	-	(400,391)	(376,094)
Change in net assets	(3,623,122)	-	-	125	-	-	(3,622,997)	788,128
Net asset at beginning of year	77,144,596	-	-	-	-	-	77,144,596	85,623,901
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 73,521,474</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 73,521,599</b>	<b>\$ 86,412,029</b>