

**POPULATION ACTION INTERNATIONAL d/b/a PAI**  
**FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**  
**(With Summarized Financial Information**  
**for the Year Ended December 31, 2022)**

# POPULATION ACTION INTERNATIONAL

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## REPORT OF INDEPENDENT AUDITORS

Board of Directors  
**Population Action International**

### *Opinion*

We have audited the financial statements of Population Action International, doing business as PAI (“PAI”), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PAI as of December 31, 2023, and the changes 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 (“GAAS”). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PAI 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 PAI’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## ***Auditors' 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 auditors' 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 GAAS 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 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 GAAS, 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 PAI'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 PAI'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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The World Bank Financial Reports – Project / Grant No. TF0B8205 on pages 23-25 (supplemental information) are presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

## Other Matter

The financial statements of PAI as of and for the year ended December 31, 2022, were audited by other auditors whose report dated June 29, 2023, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects with the audited financial statements for which it was derived.

*Marcum LLP*

Washington, D.C.  
June 6, 2024

**POPULATION ACTION INTERNATIONAL**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2023**

**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2022)**

|  | 2023                        | 2022                        |
|--|-----------------------------|-----------------------------|
| <b>Assets</b>  |                             |                             |
| Cash and cash equivalents                              | \$ 3,044,006                | \$ 5,604,954                |
| Restricted cash  | 29,076                      | 521,682                     |
| Service contracts receivable                           | --                          | 133,674                     |
| Grants and contributions receivable, net               | 540,681                     | 2,460,267                   |
| Prepaid expenses, deposits and other assets            | 159,173                     | 179,223                     |
| Investments  | 5,519,707                   | 4,880,616                   |
| Property and equipment, net                            | 160,052                     | 272,333                     |
| Right-of-use asset – operating lease                   | <u>2,210,459</u>            | <u>2,743,672</u>            |
| <b>Total Assets</b>                                    | <b><u>\$ 11,663,154</u></b> | <b><u>\$ 16,796,421</u></b> |
| <b>Liabilities and Net Assets</b>                      |                             |                             |
| <b>Liabilities</b>                                     |                             |                             |
| Accounts payable and accrued expenses                  | \$ 228,925                  | \$ 504,414                  |
| Lease liability – operating lease                      | <u>2,607,423</u>            | <u>3,230,055</u>            |
| <b>Total Liabilities</b>                               | <b><u>2,836,348</u></b>     | <b><u>3,734,469</u></b>     |
| <b>Net Assets</b>                                      |                             |                             |
| Without donor restrictions                             |                             |                             |
| Undesignated   | 2,868,986                   | 2,345,784                   |
| Board designated                                       | <u>2,830,200</u>            | <u>2,830,200</u>            |
|  | <u>5,699,186</u>            | <u>5,175,984</u>            |
| With donor restrictions                                |                             |                             |
| Perpetual in nature and accumulated endowment earnings | 249,483                     | 156,668                     |
| Purpose restrictions                                   | 2,223,083                   | 6,600,953                   |
| Time restricted for future periods                     | <u>655,054</u>              | <u>1,128,347</u>            |
|  | <u>3,127,620</u>            | <u>7,885,968</u>            |
| <b>Total Net Assets</b>                                | <b><u>8,826,806</u></b>     | <b><u>13,061,952</u></b>    |
| <b>Total Liabilities and Net Assets</b>                | <b><u>\$ 11,663,154</u></b> | <b><u>\$ 16,796,421</u></b> |

*The accompanying notes are an integral part of these financial statements.*

**POPULATION ACTION INTERNATIONAL**

**STATEMENT OF ACTIVITIES**

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

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2022)**

|  | 2023                          |                            |                     | 2022<br>Total        |
|--|-------------------------------|----------------------------|---------------------|----------------------|
|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               |                      |
| <b>Support and Revenue</b>                                   |                               |                            |                     |                      |
| Grants and contributions                                     | \$ 2,976,692                  | \$ 2,063,082               | \$ 5,039,774        | \$ 13,237,267        |
| Donated services   | --                            | --                         | --                  | 112,170              |
| Service contracts  | --                            | --                         | --                  | 375,432              |
| Investment income, net                                       | 173,517                       | 5,345                      | 178,862             | 124,012              |
| Other  | 157                           | --                         | 157                 | 6,049                |
| Net assets released from restrictions                        |                               |                            |                     |                      |
| Satisfaction of time restrictions                            | 1,273,293                     | (1,273,293)                | --                  | --                   |
| Satisfaction of program restrictions                         | 5,640,952                     | (5,640,952)                | --                  | --                   |
| <b>Total Support and Revenue</b>                             | <u>10,064,611</u>             | <u>(4,845,818)</u>         | <u>5,218,793</u>    | <u>13,854,930</u>    |
| <b>Expenses</b>  |                               |                            |                     |                      |
| <b>Program Services</b>                                      |                               |                            |                     |                      |
| Supporting International SRHR Advocacy                       | 6,558,812                     | --                         | 6,558,812           | 9,334,102            |
| Championing U.S. Government Support of SRHR                  | 699,023                       | --                         | 699,023             | 446,060              |
| Incubating New Partnerships PHCPI                            | 850,487                       | --                         | 850,487             | 4,867,465            |
| <b>Total Program Services</b>                                | <u>8,108,322</u>              | <u>--</u>                  | <u>8,108,322</u>    | <u>14,647,627</u>    |
| <b>Supporting Services</b>                                   |                               |                            |                     |                      |
| Fundraising  | 860,927                       | --                         | 860,927             | 662,271              |
| Management and general                                       | 945,421                       | --                         | 945,421             | 1,672,344            |
| <b>Total Supporting Services</b>                             | <u>1,806,348</u>              | <u>--</u>                  | <u>1,806,348</u>    | <u>2,334,615</u>     |
| <b>Total Expenses</b>  | <u>9,914,670</u>              | <u>--</u>                  | <u>9,914,670</u>    | <u>16,982,242</u>    |
| <b>Change in Net Assets From Operations</b>                  | 149,941                       | (4,845,818)                | (4,695,877)         | (3,127,312)          |
| <b>Realized and Unrealized Gains (Losses) on Investments</b> | 436,516                       | 24,215                     | 460,731             | (914,329)            |
| <b>Change in Net Assets Before Transfers</b>                 | 586,457                       | (4,821,603)                | (4,235,146)         | (4,041,641)          |
| Transfer of endowment earnings                               | (63,255)                      | 63,255                     | --                  | --                   |
| <b>Change in Net Assets</b>                                  | 523,202                       | (4,758,348)                | (4,235,146)         | (4,041,641)          |
| <b>Net Assets, Beginning of Year</b>                         | <u>5,175,984</u>              | <u>7,885,968</u>           | <u>13,061,952</u>   | <u>17,103,593</u>    |
| <b>Net Assets, End of Year</b>                               | <u>\$ 5,699,186</u>           | <u>\$ 3,127,620</u>        | <u>\$ 8,826,806</u> | <u>\$ 13,061,952</u> |

*The accompanying notes are an integral part of these financial statements.*

**POPULATION ACTION INTERNATIONAL**

**STATEMENT OF FUNCTIONAL EXPENSES**

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

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2022)**

|                                     | Program Services                                |   |  |                              | Supporting Services |                           |                                 | 2023<br>Total<br>Expenses | 2022<br>Total<br>Expenses |
|-------------------------------------|---|---|--|------------------------------|---------------------|---------------------------|---------------------------------|---------------------------|---------------------------|
|                                     | Supporting<br>International<br>SRHR<br>Advocacy | Championing<br>U.S.<br>Government<br>Support of<br>SRHR | Incubating<br>New<br>Partnerships<br>PHCPI | Total<br>Program<br>Services | Fundraising         | Management<br>and General | Total<br>Supporting<br>Services |                           |                           |
| Salaries and benefits               | \$ 2,723,016                                    | \$ 494,244  | \$ 306,179                                 | \$ 3,523,439                 | \$ 485,020          | \$ 419,902                | \$ 904,922                      | \$ 4,428,361              | \$ 4,952,888              |
| International partnership grants    | 2,567,944                                       | --  | --   | 2,567,944                    | --                  | --                        | --                              | 2,567,944                 | 7,386,881                 |
| Professional fees                   | 591,192   | 38,592  | 393,145                                    | 1,022,929                    | 110,301             | 100,119                   | 210,420                         | 1,233,349                 | 2,440,382                 |
| Occupancy                           | 322,306   | 92,602  | 33,477                                     | 448,385                      | 98,783              | 283,061                   | 381,844                         | 830,229                   | 794,813                   |
| Travel and meetings                 | 158,985   | 8,215   | 90,391                                     | 257,591                      | 24,982              | 11,346                    | 36,328                          | 293,919                   | 600,676                   |
| Dues and subscriptions              | 55,175  | 27,714  | 7,667                                      | 90,556                       | 46,631              | 18,063                    | 64,694                          | 155,250                   | 164,941                   |
| Corporate expenses                  | 36,646  | 10,335  | 3,725                                      | 50,706                       | 32,140              | 31,438                    | 63,578                          | 114,284                   | 156,639                   |
| Depreciation and amortization       | 43,590  | 12,524  | 4,528                                      | 60,642                       | 13,360              | 38,279                    | 51,639                          | 112,281                   | 124,224                   |
| Equipment rental and<br>maintenance | 28,471  | 7,945   | 2,991                                      | 39,407                       | 8,498               | 24,048                    | 32,546                          | 71,953                    | 115,042                   |
| Advertising                         | 2,790   | 802   | 290  | 3,882                        | 23,855              | 2,450                     | 26,305                          | 30,187                    | 149,871                   |
| Office supplies                     | 13,017  | 2,549   | 2,332                                      | 17,898                       | 3,097               | 7,011                     | 10,108                          | 28,006                    | 26,825                    |
| Telephone                           | 9,181   | 2,556   | 965  | 12,702                       | 2,735               | 7,732                     | 10,467                          | 23,169                    | 23,849                    |
| Printing and publications           | 4,873   | 504   | 4,298                                      | 9,675                        | 9,670               | 641                       | 10,311                          | 19,986                    | 40,495                    |
| Postage and delivery                | 1,626   | 441   | 499  | 2,566                        | 1,855               | 1,331                     | 3,186                           | 5,752                     | 4,716                     |
| <b>Total Expenses</b>               | <u>\$ 6,558,812</u>                             | <u>\$ 699,023</u>                                       | <u>\$ 850,487</u>                          | <u>\$ 8,108,322</u>          | <u>\$ 860,927</u>   | <u>\$ 945,421</u>         | <u>\$ 1,806,348</u>             | <u>\$ 9,914,670</u>       | <u>\$ 16,982,242</u>      |

*The accompanying notes are an integral part of these financial statements.*



**POPULATION ACTION INTERNATIONAL**

**STATEMENT OF CASH FLOWS**

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

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2022)**

|   | 2023                | 2022                |
|---|---------------------|---------------------|
| <b>Cash Flows From Operating Activities</b>   |                     |                     |
| Change in net assets  | \$ (4,235,146)      | \$ (4,041,641)      |
| Adjustments to reconcile change in net assets to net cash used in operating activities: |                     |                     |
| Depreciation and amortization   | 112,281             | 124,224             |
| Donated investments   | (48,069)            | --                  |
| Realized and unrealized (gains) losses on investments                                   | (460,731)           | 914,329             |
| Amortization of operating lease right-of-use asset                                      | 533,213             | 610,828             |
| Changes in assets and liabilities:  |                     |                     |
| Service contract receivable   | 133,674             | 213,247             |
| Grants and contributions receivable, net  | 1,919,586           | 3,471,517           |
| Prepaid expenses and other assets   | 20,050              | (30,302)            |
| Grants payable  | --                  | (606,240)           |
| Accounts payable and accrued expenses   | (275,489)           | (56,326)            |
| Operating lease liability   | (622,632)           | (679,664)           |
| <b>Net Cash Used in Operating Activities</b>  | <b>(2,923,263)</b>  | <b>(80,028)</b>     |
| <b>Cash Flows From Investing Activities</b>   |                     |                     |
| Proceeds from sales of investments  | 119,978             | 1,692,528           |
| Purchases of investments and reinvested earnings  | (250,269)           | (1,859,808)         |
| Purchases of property and equipment   | --                  | (5,758)             |
| <b>Net Cash Used in Investing Activities</b>  | <b>(130,291)</b>    | <b>(173,038)</b>    |
| <b>Net Decrease in Cash and Cash Equivalents</b>  | <b>(3,053,554)</b>  | <b>(253,066)</b>    |
| <b>Cash and Cash Equivalents, Beginning of Year</b>                                     | <b>6,126,636</b>    | <b>6,379,702</b>    |
| <b>Cash and Cash Equivalents, End of Year</b>   | <b>\$ 3,073,082</b> | <b>\$ 6,126,636</b> |
| <b>Cash and Cash Equivalents Reported on The Statement of Financial Position</b>        |                     |                     |
| Cash  | \$ 3,044,006        | \$ 5,604,954        |
| Restricted cash   | 29,076              | 521,682             |
|   | <b>\$ 3,073,082</b> | <b>\$ 6,126,636</b> |
| <b>Supplemental Disclosure of Cash Flow Information</b>                                 |                     |                     |
| Donated investments   | \$ 48,069           | \$ --               |

*The accompanying notes are an integral part of these financial statements.*

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

#### *NATURE OF ACTIVITIES*

Population Action International, doing business as PAI (“PAI”) champions policies that make it possible for women to exercise their reproductive rights, and fights to remove the policy barriers between women and the care they need. PAI works with policymakers in Washington, D.C. and its network of partners in developing countries to advance women’s reproductive rights (“SRHR”). PAI’s major programs are described below. PAI’s revenue is comprised primarily of grants and contributions.

#### *SUPPORTING INTERNATIONAL SRHR ADVOCACY*

A hallmark of PAI is working with local organizations in the Global South to provide them with financial resources and advocacy coaching to advance reproductive rights in their own countries. PAI’s partner network – more than 73 local organizations in 24 countries – works to secure policy and funding decisions, and hold their governments accountable for advancing reproductive rights. In addition, PAI collaborates with partners in key countries to advocate for going beyond the mere access to reproductive health care to emphasize the quality of care delivered and the rights of the women and girls receiving that care. PAI also works to increase recognition and support for primary health care (“PHC”) in the global development arena, and in particular to advocate for PHC as a foundation pillar of universal health care.

#### *CHAMPIONING U.S. GOVERNMENT SUPPORT OF SRHR*

For more than 50 years, PAI has brought an unrelenting voice for reproductive rights to the U.S. Congress and executive branch. PAI leads the movement to protect U.S. government funding for international family planning and prevent attempts to pass harmful policies.

#### *INCUBATING NEW PARTNERSHIPS*

PAI was invited to assist with establishing a Secretariat in support of the Primary Health Care Performance Initiative (“PHCPI”), a partnership bringing together country policymakers, health system managers, practitioners, advocates, other development partners and community to catalyze and accelerate primary health care improvement in low and middle-income countries through better measurements, knowledge management, advocacy and country engagement in order to achieve quality universal health coverage more quickly, efficiently and equitably.

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A summary of PAI’s significant accounting policies follows:

#### *BASIS OF ACCOUNTING*

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) promulgated by the Financial Accounting Standards Board Accounting Standards Codification (“ASC” or “the guidance”). Accordingly, revenue is recognized when earned and expenses when an obligation is incurred.

#### *CASH AND CASH EQUIVALENTS*

PAI considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. All cash and investments, regardless of maturity, held by an investment advisor, are considered investments.

The restricted cash of \$29,076 as of December 31, 2023, relates to funding received from the World Bank, in which the grant agreement requires unused funds be deposited in a separate money market account.

#### *GRANTS AND CONTRIBUTIONS RECEIVABLE*

Unconditional grants and contributions are recognized as revenue in the period received. Conditional grants and contributions, with a measurable performance obligation or other barrier and a right of return, are not recognized until the conditions on which they depend have been substantially met. Unconditional grants and contributions that are expected to be collected within one year are reported net of any estimated uncollectable amounts. Grants and contributions expected to be received beyond one year are reported net of any estimated uncollectable amounts and are discounted to present value using the United States Treasury Obligation risk-adjusted rate according to the corresponding terms of the agreement. Management determines the allowance for doubtful grants and contributions receivable by using the historical experience applied to an aging of grants and contributions receivable. There was no provision for doubtful grants and contributions receivable, based on management’s evaluation of the collection of grants and contributions receivable, as of December 31, 2023. There were no conditional grants and contributions receivables as of December 31, 2023.

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *INVESTMENTS*

Investment consist of exchange-traded funds (“ETFs”) and money market funds. These investments are recorded in the accompanying statement of financial position at their fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment expenses, such as advisory fees, are netted against investment return in the statement of activities. Realized gains and losses are determined by a comparison of costs at the investment’s acquisition to the proceeds at the time of its sale. Unrealized gains or losses are determined by comparison of the investment’s acquisition cost to its fair value at year-end. Investment income and gains restricted by a donor are recorded in the appropriate classification of net assets. If the restrictions are met either by passage of time or by use in the reporting period in which the income and gains are recognized, the income is recorded as increases in net assets without donor restrictions.

#### *FAIR VALUE MEASUREMENT*

PAI’s classifications for financial assets and financial liabilities are based on the framework established in the fair value measurement and disclosure accounting guidance. The framework is based on input in the valuation and requires that observable inputs be used in the valuation when available. The disclosure of fair value estimates in the fair value accounting guidance includes a hierarchy based on whether significant valuation inputs are observable. In determining the level of the hierarchy, the highest priority is given to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs that reflect PAI’s significant assumptions.

The three levels of the hierarchy are as follows:

Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities traded in active markets that PAI has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable, for substantially the entire period, for the asset or liability and market-corroborated inputs.

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *FAIR VALUE MEASUREMENT (CONTINUED)*

Level 3 – Inputs to the valuation methodology are not observable for the asset or liability and are significant to the fair value measurement.

As of December 31, 2023, only PAI’s investments, as described in Note 3 of these financial statements, were measured at fair value on a recurring basis.

#### *PROPERTY AND EQUIPMENT*

PAI capitalizes all property and equipment with a cost greater than \$3,000. Property and equipment are stated at cost and depreciated on a straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the lesser of the lease term or the estimated useful lives of the assets. Expenditures for major repairs and improvements are capitalized; expenditures for minor repairs and maintenance costs are expensed when incurred. Upon the retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is included in operating revenue or expenses.

The estimated useful lives of property, equipment, software, and leasehold improvements, for the purpose of computing depreciation and amortization, are:

|                                 |  |
|---------------------------------|--|
| Computer equipment and software | 3 to 5 years                                     |
| Leasehold improvements          | Life of the improvement or the life of the lease |
| Furniture and equipment         | 7 years  |
| Equipment - capital lease       | Life of the lease                                |

#### *RIGHT-OF-USE ASSET AND LEASE LIABILITY*

At inception PAI determines whether an agreement meets the criteria for a lease. An agreement is determined to be a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) in exchange for consideration and is included in operating right-of-use asset and operating lease liability in the accompanying statement of financial position. The operating right-of-use asset and operating lease liability are recognized at the commencement date of the lease agreement based on the present value of lease payments over the lease term using the risk-free discount rate and are adjusted for lease incentives. The operating right-of-use asset is amortized on a straight-line basis over the lease term and is included in occupancy expense in the accompanying statement of activities. The operating lease liability is reduced as cash payments are made under the term of the lease.

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *CLASSIFICATION OF NET ASSETS*

PAI's net assets have been classified into the following two classes:

#### *Net Assets Without Donor Restrictions*

Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated a portion of net assets without donor restrictions to serve as an operating reserve.

#### *Net Assets With Donor Restrictions*

Net assets subject to donor imposed restrictions for use in various programs and/or future period. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a 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.

#### *REVENUE RECOGNITION*

Unconditional contributions and grants are recognized as revenue and support when a donor makes and unconditional promises to give or when gifts of cash or other assets are received. Unconditional contributions are classified within activities without donor restrictions or within activities with donor restrictions, depending upon the existence and/or nature of any donor restrictions. Unconditional contributions with donor restrictions that is both received and released in the same period is classified as without donor restrictions in the accompanying statement of activities. Conditional promises to give are not recognized until such time as the conditions are substantially met, that is, when the barrier(s) in the agreement are met.

#### *FUNCTIONAL ALLOCATION OF EXPENSES*

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying statement of activities and statement of functional expenses. Expenses directly attributed to specific functional areas of PAI are reported as expenses of those functional areas, while certain categories of expenses are attributed to more than one program or supporting function, and therefore, have been allocated on a reasonable basis that is consistently applied among the programs and supporting services (fundraising and management and general) benefited. All expenses from the Communication department are proportionately allocated between supporting international SRHR advocacy and championing U.S. government support of SRHR based on the total expenses of each program.

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *FUNCTIONAL ALLOCATION OF EXPENSES*

The Communication department does not support the Incubating New Partnerships division, so it is excluded from this allocation. The expenses of the Executive department are proportionately allocated based on the total expenses of each program and supporting service, determined after the Communication expenses have been allocated. Management and general expenses are allocated proportionately based on the full-time equivalent headcount of each program and supporting service, determined after the communication and executive department expenses have been allocated.

#### *PROGRAM GRANTS EXPENSE*

Unconditional grants given are recorded as program grants expense when approved by PAI.

#### *MEASURE OF OPERATIONS*

Operating revenue and expenses generally reflect those revenue and expenses that arise from PAI's activities and excluded all realized and unrealized gains and losses from investments.

#### *USE OF ESTIMATES*

The preparation of the financial statements in conformity with generally accepted accounting principles in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

### NOTE 2 – GRANTS AND CONTRIBUTIONS RECEIVABLE

As of December 31, 2023, PAI had recognized grants and contributions receivable of \$540,681, which were owed to PAI by The World Bank and individual donors. All amounts were deemed fully collectible. As of December 31, 2023, grants and contributions receivable were due to be collected within one year.

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

### NOTE 3 – INVESTMENTS AND FAIR VALUE MEASUREMENT

The following table summarizes PAI's assets measured at fair value on a recurring basis, aggregated by the fair value hierarchy level, where applicable, with which those measurements were made, as of December 31, 2023:

|                          | Total               | Prices<br>in Active<br>Markets for<br>Identical<br>Assets/<br>Liabilities<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
|--------------------------|---------------------|--|---|--|
| Exchange-traded funds:   |                     |  |   |  |
| Equity                   | \$ 2,397,193        | \$ 2,397,193   | \$ --   | \$ --  |
| Fixed Income             | 3,103,944           | 3,103,944  | --  | --   |
| Money market funds       | <u>18,570</u>       | <u>18,570</u>  | <u>--</u>   | <u>--</u>  |
| <b>Total Investments</b> | <u>\$ 5,519,707</u> | <u>\$ 5,519,707</u>  | <u>\$ --</u>  | <u>\$ --</u>                                       |

PAI used the following methods and significant assumptions to estimate fair value for assets measured at fair value:

*Exchange-traded funds and money market funds* – Where quoted prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy.

### NOTE 4 – PROPERTY AND EQUIPMENT

PAI held the following property and equipment as of December 31, 2023:

|                                 |                    |
|---------------------------------|--------------------|
| Computer equipment and software | \$ 382,626         |
| Leasehold improvements          | 503,110            |
| Furniture and equipment         | <u>469,926</u>     |
| Total Property and Equipment    | 1,355,662          |
| Less: Accumulated depreciation  | <u>(1,195,610)</u> |
| Net Property and Equipment      | <u>\$ 160,052</u>  |

For the year ended December 31, 2023, depreciation and amortization expense was \$112,281, and is included in depreciation and amortization expense in the accompanying statement of functional expenses.



# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 5 – RIGHT-OF-USE ASSET AND LEASE LIABILITY

PAI is obligated under a non-cancelable lease for its headquarters office expiring in December 2026. Under the terms of the agreement, PAI is committed to annual rental payments adjusted for defined escalations based on building operating expenses. PAI has an option to renew the lease for a period of five years or a shorter period as determined by the landlord. PAI has not recognized the renewal option as part of the ROU asset and liability as it is not reasonably certain to be exercised. The lease is secured by a letter of credit in the amount of \$59,162.

Operating lease costs totaled \$754,486 for the year ended December 31, 2023, and is included in occupancy in the accompanying statement of functional expenses. Cash paid for the operating lease totaled \$843,904 for the year end December 31, 2023.

Other information related to the operating lease as of December 31, 2023:

|                      |           |
|----------------------|-----------|
| Remaining lease term | 3.0 years |
| Discount rate        | 1.37%     |

Future minimum lease payments as of December 31, 2023 were as follows:

| <u>For the Year Ending</u><br><u>December 31,</u> |                            |
|---|----------------------------|
| 2024  | \$ 865,002                 |
| 2025  | 886,627                    |
| 2026  | <u>908,794</u>             |
| Total   | 2,660,423                  |
| Less: Present value discount                      | <u>(53,000)</u>            |
| <b>Operating Lease Liability</b>                  | <b><u>\$ 2,607,423</u></b> |

### NOTE 6 – LETTER OF CREDIT

PAI has a \$59,162 a letter of credit with a local financial institution that terminates in December 2026. Amounts drawn on the line of credit accrue interest at 9.5%. The line is secured by cash held in a certificate of deposit account at the same financial institution. During the year ended December 31, 2023, no money was borrowed or repaid, and, as a result, there was no interest paid during either year ended December 31, 2023. This letter of credit serves as collateral for PAI's office space lease in Washington, DC.

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

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

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### NOTE 7 – NET ASSETS

#### *NET ASSETS WITHOUT DONOR RESTRICTIONS*

As of December 31, 2023, PAI’s net assets without donor restrictions were as follows:

|  |                            |
|--|----------------------------|
| Undesignated – operating                           | \$ 2,868,986               |
| Board-designated – reserve fund                    | <u>2,830,200</u>           |
| <b>Total Net Assets Without Donor Restrictions</b> | <b><u>\$ 5,699,186</u></b> |

The board-designated net assets for a working capital reserve were instituted to provide funding for various strategic initiatives of PAI. Approval of the Board of Directors is required before PAI can access the reserve.

#### *NET ASSETS WITH DONOR RESTRICTIONS*

Net assets with donor restrictions were restricted for the following purposes or periods. Net assets with both purpose and time restrictions are reported as purpose restricted. Additionally, net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or the passage of time or other events specified by the donors as follows for the year ended December 31, 2023:

|   | Balance<br>December 31,<br>2022 | Additions/<br>Transfers    | Released                     | Balance<br>December 31,<br>2023 |
|---|---------------------------------|----------------------------|------------------------------|---------------------------------|
| Purpose restricted:                                 |                                 |                            |                              |                                 |
| Supporting International<br>SRHR Advocacy           | \$ 5,497,386                    | \$ 1,095,889               | \$ (4,521,769)               | \$ 2,071,506                    |
| Championing U.S.<br>Government Support of<br>SRHR   | 200,000                         | 150,000                    | (200,000)                    | 150,000                         |
| Incubating New<br>Partnerships                      | 903,567                         | 17,193                     | (919,183)                    | 1,577                           |
| Time restricted for future<br>periods               | 1,128,347                       | 800,000                    | (1,273,293)                  | 655,054                         |
| Accumulated<br>unappropriated<br>endowment earnings | --                              | 92,815                     | --                           | 92,815                          |
| Perpetual in nature                                 | <u>156,668</u>                  | <u>--</u>                  | <u>--</u>                    | <u>156,668</u>                  |
|   | <b><u>\$ 7,885,968</u></b>      | <b><u>\$ 2,155,897</u></b> | <b><u>\$ (6,914,245)</u></b> | <b><u>\$ 3,127,620</u></b>      |

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 8 – ENDOWMENT

#### *INTERPRETATION OF RELEVANT LAW*

The Board of Directors of PAI has interpreted the District of Columbia enacted version of the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, PAI classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restrictions to be maintained in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditures by PAI in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, PAI considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

- The duration and preservation of the fund.
- The purposes of PAI and the donor-restricted endowment fund.
- General economic conditions.
- The possible effects of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of PAI.
- The investment policies of PAI.

#### *RETURN OBJECTIVES AND RISK PARAMETERS*

PAI has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce returns higher than specified market indices, while assuming a moderate level of risk. PAI expects its endowment funds to perform at least as well as the total equity markets and the total U.S. fixed income markets, while minimizing costs. Its net growth in principal should be consistent with total broad-market index returns and the overall market index associated with the approved strategic asset allocation.

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 8 – ENDOWMENT (CONTINUED)

#### *STRATEGIES EMPLOYED FOR ACHIEVING OBJECTIVES*

To satisfy its long-term rate-of-return objectives, PAI relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). PAI targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The target allocation percentages are 55% equities and 45% fixed income.

#### *SPENDING POLICY*

Currently, PAI does not have a spending policy. Spending is in accordance with any donor imposed restrictions, if any exist. PAI's policy states that all income will be available for reinvestment until such time as the endowment reaches a threshold established by the Board and the Board approves a spending policy.

#### *FUND DEFICIENCIES*

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the principal amount that the donor originally contributed in order to establish the endowment. Deficiencies typically result from unfavorable market fluctuations or continued appropriation. There were no such deficiencies as of December 31, 2023. PAI has interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. However, PAI does not intend to appropriate from funds with deficiencies.

PAI's endowment as of December 31, 2023 is made up of one fund and is available to support operations.

Endowment net assets consisted of the following at December 31, 2023:

|   | With Donor<br>Restrictions | Without Donor<br>Restrictions | Total             |
|---|----------------------------|-------------------------------|-------------------|
| Donor-restricted endowment funds:                     |                            |                               |                   |
| Historical gift value                                 | \$ 156,668                 | \$ --                         | \$ 156,668        |
| Appreciation not approved by Board<br>for expenditure | <u>92,815</u>              | <u>--</u>                     | <u>92,815</u>     |
| <b>Total Endowment Net Assets</b>                     | <u>\$ 249,483</u>          | <u>\$ --</u>                  | <u>\$ 249,483</u> |

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 8 – ENDOWMENT (CONTINUED)

Changes in endowment net assets were as follows for the year ended December 31, 2023:

|  | With Donor<br>Restrictions | Without Donor<br>Restrictions | Total             |
|--|----------------------------|-------------------------------|-------------------|
| Endowment net assets,<br>beginning of year     | \$ 156,668                 | \$ --                         | \$ 156,668        |
| Net investment return                          | 29,560                     | --                            | 29,560            |
| Transfer investment income<br>from prior years | 63,255                     | --                            | 63,255            |
| Appropriations                                 | <u>--</u>                  | <u>--</u>                     | <u>--</u>         |
| Endowment Net Assets, End of Year              | <u>\$ 249,483</u>          | <u>\$ --</u>                  | <u>\$ 249,483</u> |

### NOTE 9 – LIQUIDITY AND AVAILABILITY OF RESOURCES

PAI's financial assets available within one year of the date of the statement of financial position for general expenditures are as follows:

|   |                            |
|---|----------------------------|
| Financial assets:   |                            |
| Cash and cash equivalents   | \$ 3,044,006               |
| Investments   | 5,519,707                  |
| Grants and contributions receivable, net  | <u>540,681</u>             |
| Financial Assets at Year-End  | 9,104,394                  |
| Less Donor-Imposed Restrictions:  |                            |
| Endowment gift  | (249,483)                  |
| Less Internal Designations:   |                            |
| Board-designated reserve fund   | <u>(2,830,200)</u>         |
| <b>Financial Assets Available to Meet Cash Needs<br/>for General Expenditures within One Year</b> | <b><u>\$ 6,024,711</u></b> |

PAI structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, PAI invests excess cash in its investment portfolio which is invested pursuant to a board-approved asset allocation model, and includes securities traded in active markets that are liquid and can be accessed to meet PAI's operating cash requirements, as needed. Additionally, PAI has board-designated net assets that could be

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 9 – LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)

available for current operations with Board approval, if necessary. PAI considers investment income without donor restrictions, appropriated earnings from donor-restricted endowments, contributions without donor restrictions and contributions with donor restrictions for use in programs that are ongoing, major and central to its annual operations as available to meet cash needs for general expenditures. General expenditures include general and administrative expenses, fundraising expenses and grant commitments expected to be paid in the subsequent year.

### NOTE 10 – RETIREMENT PLANS

PAI sponsors a 403(b) retirement plan (“the Plan”). All regular full and part time employees who are at least 18 years old are eligible to participate in the Plan at the date of hire. PAI contributed \$219,187 in 2023 to the Plan. Participants are fully vested in employer contributions after one year of service.

PAI sponsors and maintains a nonqualified deferred compensation plan under Internal Revenue Code Section 457(b) for the benefit of the President and CEO. The 457(b) plan is funded by voluntary employee salary deferrals in accordance with regulations established under Sections 457(b) and employer contributions. As of December 31, 2023, the 457(b) plan had assets and liabilities of \$24,146, which represent the cumulative amount of contributions to the plans and accumulated earnings and losses since inception. The plan assets and liabilities were not considered significant to PAI’s financial statements and, accordingly, are not recognized in these financial statements.

### NOTE 11 – RISKS

#### *CONCENTRATION OF CREDIT RISK*

PAI maintains its cash and cash equivalents with certain commercial financial institutions, which aggregate balances may exceed, at times, the Federal Deposit Insurance Corporation (“FDIC”) insured limit of \$250,000 per depositor per institution. As of December 31, 2023, the cash balance exceeded the maximum limit insured by the FDIC by approximately \$2,496,000. PAI monitors the creditworthiness of these institutions and has not experienced any historical credit losses on its cash and cash equivalents.

# POPULATION ACTION INTERNATIONAL

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

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### NOTE 11 – RISKS (CONTINUED)

#### *CONCENTRATION OF REVENUE*

PAI receives a substantial portion of its revenue from grants and contributions. Approximately 75%, or \$3,800,000, of grants and contributions revenue was received from three donors.

#### *INVESTMENT RISK*

PAI also invests in various investment securities that are exposed to various risks, including market, interest rate and credit risks. Market risks include global events which could impact the value of investment securities, such as pandemic or international conflict. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

### NOTE 12 – INCOME TAXES

PAI is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code (“IRC”). For the year ended December 31, 2023, no provision for income taxes was made, as PAI had no significant unrelated business income.

PAI follows the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB ASC Topic 740, Income Taxes. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity’s financial statements and prescribe a threshold of “more likely than not” for recognition and derecognition of tax positions taken or expected to be taken in a tax return. PAI evaluated its uncertainty in income taxes for the year ended December 31, 2023, and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. As of December 31, 2023, there are no tax examinations pending or in process. It is PAI’s policy to recognize interest and/or penalties related to uncertainty in income taxes, if any, in income tax or interest expense. As of December 31, 2023, PAI had no accruals for interest and/or penalties.

### NOTE 13 – PRIOR YEAR SUMMARIZED FINANCIAL INFORMATION

The accompanying financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with PAI’s financial statements for the year ended December 31, 2022, from which the summarized information was derived.

# **POPULATION ACTION INTERNATIONAL**

## **NOTES TO FINANCIAL STATEMENTS**

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

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### **NOTE 14 – RECLASSIFICATIONS**

Certain 2022 amounts have been reclassified to conform with the 2023 presentation.

### **NOTE 15 – SUBSEQUENT EVENTS**

PAI has evaluated subsequent events through June 6, 2024, the date on which the financial statements were available to be issued. There are no subsequent events that require recognition or disclosure in the financial statements.



**POPULATION ACTION INTERNATIONAL**

**WORLD BANK FINANCIAL REPORTS – PROJECT / GRANT NO. TF0B8205**

**WORLD BANK FINANCIAL REPORT**

| Particulars   | Total Budget Allocation | Actual Expenditure During Reporting Period April-June 2022 | Actual Expenditure During Reporting Period July 1-December 31, 2022 | Actual Expenditure During Reporting Period January 1-June 30, 2023 | Actual Expenditure During Reporting Period July 1-December 31, 2023 | Cumulative Expenditure From Start of Project |
|---|-------------------------|--|---|--|---|--|
| <b>Receipts</b>   |                         |  |   |  |   |  |
| Opening balance   | \$ --                   | \$ --  | \$ 443,811  | \$ 521,682   | \$ 2,287,579  | \$ --  |
| Funds received from WB during reporting period                  | --                      | 500,000  | 2,000,000   | 2,000,000  | --  | 4,500,000                                    |
| Interest received on grant                                      | --                      | --   | --  | --   | --  | --   |
| Other funds (if any)  | --                      | --   | --  | --   | --  | --   |
| <b>Total</b>  | <b>--</b>               | <b>500,000</b>   | <b>2,443,811</b>  | <b>2,521,682</b>   | <b>2,287,579</b>  | <b>4,500,000</b>                             |
| <b>Expenditures</b>   |                         |  |   |  |   |  |
| Salaries & benefits   | --                      | 48,860   | 501,123   | 55,868   | 129,079   | 734,930                                      |
| Consultants   | --                      | --   | 36,794  | 114,213  | 170,343   | 321,350                                      |
| Subgrants   | --                      | --   | 969,665   | --   | 1,757,608   | 2,727,273                                    |
| Travel/meetings/workshops                                       | --                      | --   | 192,042   | 684  | 12,532  | 205,258                                      |
| Other costs   | --                      | --   | 13,952  | --   | 3,575   | 17,527                                       |
| Indirect (10% subgrants/15% all other expense line items)       | --                      | 7,329  | 208,553   | 63,338   | 185,366   | 464,586                                      |
| <b>Total Expenditure on Project Components (and Activities)</b> | <b>5,000,000</b>        | <b>56,189</b>  | <b>1,922,129</b>  | <b>234,103</b>   | <b>2,258,503</b>  | <b>4,470,924</b>                             |
| <b>Closing Balance (All Figures in USD)</b>                     |                         |  |   |  |   | <b>\$ 29,076</b>                             |

*See independent auditors' report on supplementary information.*

**POPULATION ACTION INTERNATIONAL**

**WORLD BANK FINANCIAL REPORTS – PROJECT / GRANT NO. TF0B8205**

**WORLD BANK FINANCIAL REPORT – COMPONENT SPLIT**

| Particulars   | Total Budget Allocation | Actual Expenditure During Reporting Period April-June 2022 | Actual Expenditure During Reporting Period July 1-December 31, 2022 | Actual Expenditure During Reporting Period January 1-June 30, 2023 | Actual Expenditure During Reporting Period July 1-December 31, 2023 | Cumulative Expenditure From Start of Project |
|---|-------------------------|--|---|--|---|--|
| <b>Receipts</b>   |                         |  |   |  |   |  |
| Opening balance   | \$ --                   | \$ --  | \$ 443,811  | \$ 521,682   | \$ 2,287,579  | \$ --  |
| Funds received from WB during reporting period            | --                      | 500,000  | 2,000,000   | 2,000,000  | --  | 4,500,000                                    |
| Interest received on grant                                | --                      | --   | --  | --   | --  | --   |
| Other funds (if any)                                      | --                      | --   | --  | --   | --  | --   |
| <b>Total</b>  | <b>--</b>               | <b>500,000</b>   | <b>2,443,811</b>  | <b>2,521,682</b>   | <b>2,287,579</b>  | <b>4,500,000</b>                             |
| <b>Expenditures</b>                                       |                         |  |   |  |   |  |
| Component 1 – technical assistance and capacity building  | 575,000                 | 56,189   | 470,278   | 33,865   | 58,947  | 619,279                                      |
| Salaries & benefits                                       | --                      | 48,860   | 274,532   | 4,172  | 4,172   | 331,736                                      |
| Consultants   | --                      | --   | --  | 26,565   | 39,296  | 65,861                                       |
| Subgrants   | --                      | --   | --  | --   | --  | --   |
| Travel/meetings/workshops                                 | --                      | --   | 120,453   | (1,289)  | 7,790   | 126,954                                      |
| Other costs   | --                      | --   | 13,952  | --   | --  | 13,952                                       |
| Indirect (10% subgrants/15% all other expense line items) | --                      | 7,329  | 61,341  | 4,417  | 7,689   | 80,776                                       |
| Component 2 – support to partner CSOs                     | 3,300,000               | --   | 1,066,632   | 119,959  | 2,061,337   | 3,247,928                                    |
| Salaries & benefits                                       | --                      | --   | --  | 49,683   | 51,044  | 100,727                                      |
| Consultants   | --                      | --   | --  | 21,825   | 93,022  | 114,847                                      |
| Subgrants   | --                      | --   | 969,665   | --   | 1,757,608   | 2,727,273                                    |
| Travel/meetings/workshops                                 | --                      | --   | --  | --   | --  | --   |
| Other costs   | --                      | --   | --  | --   | 15  | 15   |
| Indirect (10% subgrants/15% all other expense line items) | --                      | --   | 96,967  | 48,451   | 159,648   | 305,066                                      |

*See independent auditors' report on supplementary information.*

**POPULATION ACTION INTERNATIONAL**

**WORLD BANK FINANCIAL REPORTS – PROJECT / GRANT NO. TF0B8205**

**WORLD BANK FINANCIAL REPORT – COMPONENT SPLIT (CONTINUED)**

| Particulars   | Total Budget Allocation | Actual Expenditure During Reporting Period April-June 2022 | Actual Expenditure During Reporting Period July 1-December 31, 2022 | Actual Expenditure During Reporting Period January 1-June 30, 2023 | Actual Expenditure During Reporting Period July 1-December 31, 2023 | Cumulative Expenditure From Start of Project |
|---|-------------------------|--|---|--|---|--|
| Component 3 – coordination, networking, communication           | \$ 304,750              | \$ --  | \$ 159,278  | \$ 2,217   | \$ 6,243  | \$ 167,738                                   |
| Salaries & benefits   | --                      | --   | 39,289  | --   | --  | 39,289                                       |
| Consultants   | --                      | --   | 36,044  | 423  | 1,875   | 38,342                                       |
| Subgrants   | --                      | --   | --  | --   | --  | --   |
| Travel/meetings/workshops                                       | --                      | --   | 63,170  | 1,505  | 3,326   | 68,001                                       |
| Other costs   | --                      | --   | --  | --   | 228   | 228  |
| Indirect (10% subgrants/15% all other expense line items)       | --                      | --   | 20,775  | 289  | 814   | 21,878                                       |
| Component 4 – enhancing CSOs constructive                       | 327,750                 | --   | 206,424   | 66,009   | 24,842  | 297,275                                      |
| Salaries & benefits   | --                      | --   | 178,902   | --   | --  | 178,902                                      |
| Consultants   | --                      | --   | --  | 57,400   | 20,150  | 77,550                                       |
| Subgrants   | --                      | --   | --  | --   | --  | --   |
| Travel/meetings/workshops                                       | --                      | --   | 597   | --   | 750   | 1,347  |
| Other costs   | --                      | --   | --  | --   | 701   | 701  |
| Indirect (10% subgrants/15% all other expense line items)       | --                      | --   | 26,925  | 8,609  | 3,241   | 38,775                                       |
| Component 5 – project monitoring and evaluation                 | 492,500                 | --   | 19,517  | 12,053   | 107,134   | 138,704                                      |
| Salaries & benefits   | --                      | --   | 8,400   | 2,013  | 73,863  | 84,276                                       |
| Consultants   | --                      | --   | 750   | 8,000  | 16,000  | 24,750                                       |
| Subgrants   | --                      | --   | --  | --   | --  | --   |
| Travel/meetings/workshops                                       | --                      | --   | 7,822   | 468  | 666   | 8,956  |
| Other costs   | --                      | --   | --  | --   | 2,631   | 2,631  |
| Indirect (10% subgrants/15% all other expense line items)       | --                      | --   | 2,545   | 1,572  | 13,974  | 18,091                                       |
| <b>Total Expenditure on Project Components (and Activities)</b> | <b>5,000,000</b>        | <b>56,189</b>  | <b>1,922,129</b>  | <b>234,103</b>   | <b>2,258,503</b>  | <b>4,470,924</b>                             |
| <b>Closing Balance (All Figures in USD)</b>                     |                         |  |   |  |   | <b>\$ 29,076</b>                             |

*See independent auditors' report on supplementary information.*