

ACTIONAID USA

FINANCIAL STATEMENTS

For the Years Ended
December 31, 2025 and 2024
and
Report Thereon

Independent Auditor's Report

To the Board of Directors of
ActionAid USA

Opinion

We have audited the accompanying financial statements of ActionAid USA, an affiliate of ActionAid International, which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ActionAid USA as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ActionAid USA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these 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 ActionAid USA's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

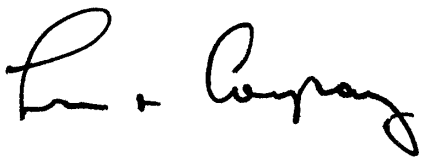
Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ActionAid USA'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 ActionAid USA'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.



Washington, D.C.
May 13, 2026

ACTIONAID USA
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

ASSETS

	<u>2025</u>	<u>2024</u>
Cash	\$ 788,181	\$ 1,709,173
Grants and contributions receivable, net of discount	322,509	1,660,849
Prepaid expenses	45,487	34,743
Security deposit	12,635	12,635
Right-of-use asset - office lease	<u>339,790</u>	<u>490,037</u>
 Total Assets	 <u>\$ 1,508,602</u>	 <u>\$ 3,907,437</u>

LIABILITIES AND NET ASSETS

Accounts payable and accrued expenses	\$ 116,015	\$ 59,806
Affiliate payable	451,205	956,541
Deferred revenue	2,500	5,000
Lease liability	<u>403,620</u>	<u>576,123</u>
 Total Liabilities	 973,340	 1,597,470
 Net Assets		
Net Assets without donor restrictions	329,005	682,351
Net Assets with donor restrictions	<u>206,257</u>	<u>1,627,616</u>
 Total Net Assets	 <u>535,262</u>	 <u>2,309,967</u>
 Total Liabilities and Net Assets	 <u>\$ 1,508,602</u>	 <u>\$ 3,907,437</u>

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

ACTIONAID USA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2025

	<u>Without</u> <u>Restrictions</u>	<u>With</u> <u>Restrictions</u>	<u>Total</u>
Revenue and Support			
Grants	\$ 209,827	\$ 769,692	\$ 979,519
Contributions	555,447	207,798	763,245
Interest income	22,301	-	22,301
Rental income	50,000	-	50,000
Net assets released from restrictions	<u>2,398,849</u>	<u>(2,398,849)</u>	<u>-</u>
Total Revenue and Support	<u>3,236,424</u>	<u>(1,421,359)</u>	<u>1,815,065</u>
Expenses			
Program Services			
Policy and campaign	2,265,165	-	2,265,165
Media	<u>213,594</u>	<u>-</u>	<u>213,594</u>
Total Program Services	<u>2,478,759</u>	<u>-</u>	<u>2,478,759</u>
Supporting Services			
General and administrative	580,811	-	580,811
Fundraising	<u>530,200</u>	<u>-</u>	<u>530,200</u>
Total Supporting Services	<u>1,111,011</u>	<u>-</u>	<u>1,111,011</u>
Total Expenses	<u>3,589,770</u>	<u>-</u>	<u>3,589,770</u>
Change in Net Assets	<u>(353,346)</u>	<u>(1,421,359)</u>	<u>(1,774,705)</u>
Net Assets, Beginning of Year	<u>682,351</u>	<u>1,627,616</u>	<u>2,309,967</u>
Net Assets, End of Year	<u><u>\$ 329,005</u></u>	<u><u>\$ 206,257</u></u>	<u><u>\$ 535,262</u></u>

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

ACTIONAID USA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024

	<u>Without</u> <u>Restrictions</u>	<u>With</u> <u>Restrictions</u>	<u>Total</u>
Revenue and Support			
Grants	\$ 1,037,398	\$ 914,280	\$ 1,951,678
Contributions	598,645	156,817	755,462
Interest income	31,446	-	31,446
Rental income	20,000	-	20,000
Net assets released from restrictions	<u>2,917,511</u>	<u>(2,917,511)</u>	<u>-</u>
Total Revenue and Support	<u>4,605,000</u>	<u>(1,846,414)</u>	<u>2,758,586</u>
Expenses			
Program Services			
Policy and campaign	2,911,445	-	2,911,445
Media	<u>193,060</u>	<u>-</u>	<u>193,060</u>
Total Program Services	<u>3,104,505</u>	<u>-</u>	<u>3,104,505</u>
Supporting Services			
General and administrative	513,663	-	513,663
Fundraising	<u>533,089</u>	<u>-</u>	<u>533,089</u>
Total Supporting Services	<u>1,046,752</u>	<u>-</u>	<u>1,046,752</u>
Total Expenses	<u>4,151,257</u>	<u>-</u>	<u>4,151,257</u>
Change in Net Assets	<u>453,743</u>	<u>(1,846,414)</u>	<u>(1,392,671)</u>
Net Assets, Beginning of Year	<u>228,608</u>	<u>3,474,030</u>	<u>3,702,638</u>
Net Assets, End of Year	<u>\$ 682,351</u>	<u>\$ 1,627,616</u>	<u>\$ 2,309,967</u>

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

ACTIONAID USA
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2025

	<u>Policy and Campaign</u>	<u>Media</u>	<u>Total Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>	<u>Totals</u>
Grant and subgrants	\$ 1,506,608	\$ -	\$ 1,506,608	\$ -	\$ -	\$ -	\$ 1,506,608
Personnel costs	515,757	85,520	601,277	410,636	356,474	767,110	1,368,387
Professional services	92,322	117,384	209,706	84,164	113,180	197,344	407,050
Occupancy	64,469	10,690	75,159	51,329	44,559	95,888	171,047
Travel and transportation	83,711	-	83,711	11,641	10,914	22,555	106,266
Materials and service	2,298	-	2,298	14,334	83	14,417	16,715
Miscellaneous	-	-	-	2,582	4,990	7,572	7,572
Equipment	-	-	-	6,125	-	6,125	6,125
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Totals	<u>\$ 2,265,165</u>	<u>\$ 213,594</u>	<u>\$ 2,478,759</u>	<u>\$ 580,811</u>	<u>\$ 530,200</u>	<u>\$ 1,111,011</u>	<u>\$ 3,589,770</u>

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

ACTIONAID USA
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024

	<u>Policy and</u>	<u>Media</u>	<u>Total</u>	<u>General and</u>	<u>Fundraising</u>	<u>Total</u>	<u>Totals</u>
	<u>Campaign</u>		<u>Program</u>	<u>Administrative</u>		<u>Supporting</u>	
			<u>Services</u>			<u>Services</u>	
Grant and subgrants	\$ 1,972,988	\$ -	\$ 1,972,988	\$ -	\$ -	\$ -	\$ 1,972,988
Personnel costs	666,515	121,186	787,701	362,239	440,264	802,503	1,590,204
Professional services	85,055	58,011	143,066	82,668	38,508	121,176	264,242
Occupancy	71,224	12,950	84,174	38,709	47,047	85,756	169,930
Travel and transportation	115,663	388	116,051	3,102	72	3,174	119,225
Materials and service	-	525	525	15,199	-	15,199	15,724
Miscellaneous	-	-	-	1,531	7,198	8,729	8,729
Equipment	-	-	-	10,215	-	10,215	10,215
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 2,911,445</u>	<u>\$ 193,060</u>	<u>\$ 3,104,505</u>	<u>\$ 513,663</u>	<u>\$ 533,089</u>	<u>\$ 1,046,752</u>	<u>\$ 4,151,257</u>

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

ACTIONAID USA
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Change in net assets	\$ (1,774,705)	\$ (1,392,671)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Change in assets and liabilities		
Grants and contributions receivable, net of discount	1,338,340	840,379
Prepaid expenses	(10,744)	(1,574)
Right-of-use asset - office lease	150,247	146,367
Accounts payable and accrued expenses	56,209	(174,493)
Affiliate payable	(505,336)	686,649
Deferred revenue	(2,500)	5,000
Lease liability	<u>(172,503)</u>	<u>(164,131)</u>
Net cash used in operating activities	(920,992)	(54,474)
Cash, beginning of year	<u>1,709,173</u>	<u>1,763,647</u>
Cash, end of year	<u>\$ 788,181</u>	<u>\$ 1,709,173</u>
Supplemental disclosures:		
Donated securities:	<u>\$ 251,962</u>	<u>\$ 212,007</u>

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

ACTIONAID USA
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

1. ORGANIZATION

ActionAid USA is a publicly supported 501(c)(3) non-profit organization and is the U.S. affiliate of ActionAid International (AAI), an antipoverty agency working in 43 countries to end poverty and injustice together. ActionAid USA raises money for international development projects in the countries where its partner affiliates work and educates the U.S. public, other nonprofit organizations, and government institutions about food, health, education, emergencies, women’s rights, and democratic governance in developing countries. These activities are funded through grants and contributions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

ActionAid USA’s financial statements are presented on the accrual basis of accounting, which presents financial position, activities, functional expenses, and cash flows in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash consists of funds in checking, savings, and money market accounts.

Property and Equipment

Acquisitions of property and equipment are recorded at cost. Depreciation is recorded using the straight-line method over estimated useful lives of three to five years. It is ActionAid USA’s policy to capitalize property and equipment over \$5,000. Expenditures for major repairs and improvements are capitalized and expenditures for minor repairs and maintenance costs are expensed as incurred in line with the capitalization policy. As of December 31, 2025 and 2024, all of ActionAid USA’s property and equipment was fully depreciated.

Continued

ACTIONAID USA
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification of Net Assets

ActionAid USA's net assets are reported as follows:

- Net assets without donor restrictions represent the portion of expendable funds that are available for support of ActionAid USA's operations. As of December 31, 2025 and 2024, net assets without donor restrictions included \$110,000 and \$100,000, respectively, that has been designated by the Board of Directors as an operating reserve.
- Net assets with donor restrictions represent amounts that are specifically restricted by donors or grantors for various purposes or for use in future time periods.

Revenue Recognition

Grants and contributions are recorded as revenue and support when received or pledged, whichever occurs first. ActionAid USA reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets to one of ActionAid USA's programs or to future periods. When a donor restriction is met, that is, when a purpose restriction is accomplished or a time restriction expires, net assets with donor restrictions are reclassified to net assets without restrictions and reported in the accompanying statements of activities as net assets released from restrictions. Revenue recognized on grants and contributions that have been earned or committed to ActionAid USA, but have not been received, is reflected as grants receivable in the accompanying statements of financial position.

Grants receivable that are expected to be collected within one year are recorded at their net realizable value. Grants receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates appropriate for the expected term of the promise to give. Amortization of the discount is included in grants revenue in the accompanying statements of activities.

Continued

ACTIONAID USA
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentrations of Credit Risk

ActionAid USA maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000 per depositor per institution. ActionAid USA's cash is held in checking, savings, and money market accounts. Management continually monitors its positions with, and credit quality of, the financial institutions with which it places its cash and cash equivalents and believes these amounts are not subject to significant credit risk.

Income Taxes

ActionAid USA is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. At December 31, 2025 and 2024, no provision for income taxes was made as ActionAid USA had no net unrelated business income. Management annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition on the financial statements.

Functional Expenses

The costs of providing ActionAid USA's various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been directly allocated to programs and supporting services based on the nature of the expenses and certain indirect costs have been proportionately allocated among the programs and supporting services benefited based on a percentage of personnel costs across departments.

3. LIQUIDITY

ActionAid USA monitors liquidity required to meet its operating needs and other contractual commitments. The organization's primary source of liquidity at its disposal consists of cash and grants and contributions receivable.

The following table reflects ActionAid USA's financial assets as of December 31, 2025 and 2024, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of donor restrictions.

ActionAid USA expects to receive additional contributions and commitments sufficient to fund general operating needs over the next 12 months.

Continued

ACTIONAID USA
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

3. LIQUIDITY (continued)

	<u>2025</u>	<u>2024</u>
Cash	\$ 788,181	\$ 1,709,173
Grants and contributions receivable, net	<u>322,509</u>	<u>1,660,849</u>
 Total financial assets	 1,110,690	 3,370,022
 Less:		
Accounts payable and accrued expenses	(116,015)	(59,806)
Affiliate payable	(451,205)	(956,541)
Net assets with donor restrictions	<u>(206,257)</u>	<u>(1,627,616)</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 337,213</u>	 <u>\$ 726,059</u>

4. GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable represent amounts due from individual donors and foundations. A discount rate based on the published treasury yield curve that most approximates the term of the long-term promises to give was used to determine the net present value. At December 31, 2025, there were no long-term receivables to discount. At December 31, 2024, the discount rate used was 3.72%. Amortization of the discount is reported in the statement of activities as grants revenue. The amounts are due as follows:

	<u>2025</u>	<u>2024</u>
Less than one year	\$ 322,509	\$ 1,402,876
One to five years	<u>--</u>	<u>275,000</u>
 Grants Receivable	 322,509	 1,677,876
 Less: discount to present value	 <u>--</u>	 <u>(17,027)</u>
 Grants Receivable, Net	 <u>\$ 322,509</u>	 <u>\$ 1,660,849</u>

Continued

ACTIONAID USA
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

5. NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2025 and 2024, net assets with donor restrictions were available for the following policy and campaign purposes:

	<u>2025</u>	<u>2024</u>
Climate Justice	\$ 158,624	\$ 534,449
Humanitarian Emergencies	31,313	4,781
Economic Justice	16,320	1,720
Women’s Rights	<u>—</u>	<u>1,086,666</u>
 Total Net Assets with Donor Restrictions	 <u>\$ 206,257</u>	 <u>\$ 1,627,616</u>

6. LEASE

ActionAid USA leases office space under a non-cancelable operating lease which expires on February 28, 2028. ActionAid USA has recognized both a lease liability, consisting of the present value of future cash outflows related to this lease, and a resulting right-of-use lease asset on its accompanying statements of financial position. ActionAid USA elected the practical expedient package to use the risk-free rate (2.31%) in calculating the present value of future cash outflows and the resulting lease liability. The risk-free rate is the reported interest rate on a U.S. treasury bill covering the same term as this lease. During the years ending December 31, 2025 and 2024, ActionAid USA recognized operating lease costs of \$161,744. Future minimum lease payments for office space as of December 31, 2025 are as follows:

2026	188,604
2027	193,319
2028	<u>32,351</u>
 Total lease payments	 414,274
Less: interest	<u>(10,654)</u>
 Present value of lease liability	 <u>\$ 403,620</u>

Continued

ACTIONAID USA
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

7. AFFILIATION WITH ACTIONAID INTERNATIONAL

ActionAid USA has an affiliation agreement with ActionAid International (AAI), a Johannesburg-based organization. Under the terms of the agreement, ActionAid USA has the exclusive right to use AAI’s name in the United States through February 2028. ActionAid USA is responsible for all fundraising within the United States for international development projects in the countries where the partner affiliates work. During the years ended December 31, 2025 and 2024, ActionAid USA made grant awards to AAI of \$1,193,558 and \$1,304,425, respectively, to support international development projects in the countries where the partner affiliates work. This amount is reported as grants and subgrants in accompanying statements of functional expenses. AAI also reimburses ActionAid USA for costs related to travel within the United States by employees of partner affiliates.

As of December 31, 2025 and 2024, the balance in the affiliate payable account consisted of the following:

	<u>2025</u>	<u>2024</u>
Due to ActionAid International	\$ 401,205	\$ 799,296
Due to other country-level ActionAid affiliates	<u>50,000</u>	<u>157,245</u>
Total affiliate payable	<u>\$ 451,205</u>	<u>\$ 956,541</u>

8. PENSION PLAN

ActionAid USA has a defined contribution plan under Section 403(b) of the Internal Revenue Code. Substantially all of ActionAid USA’s employees are eligible to participate in the plan. For the years ended December 31, 2025 and 2024, employer matching contributions totaling \$23,001 and \$25,687, respectively, were made.

9. CONCENTRATIONS

For the year ended December 31, 2025, approximately 36% of ActionAid USA’s total revenue was generated from contributions sourced from three donors. For the year ended December 31, 2024, approximately 34% of ActionAid USA’s total revenue was generated from contributions sourced from a single donor. The above concentrations relate to different donors each year.

ACTIONAID USA
Notes to Financial Statements
For the Years Ended December 31, 2025 and 2024

10. SUBSEQUENT EVENTS

In preparing these financial statements, ActionAid USA has evaluated events and transactions for potential recognition or disclosure through May 13, 2026, the date the financial statements were available for issue. There were no additional events or transactions that were discovered during the evaluation that required further disclosure.