

INNOVATIONS FOR POVERTY ACTION

FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

INNOVATIONS FOR POVERTY ACTION

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Independent Auditors' Report

To the Board of Directors
Innovations for Poverty Action
New Haven, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of Innovations for Poverty Action, which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Innovations for Poverty Action as of December 31, 2018 and 2017, 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.

Change in Accounting Principle

As discussed in Note 2, during the year ended December 31, 2018, Innovations for Poverty Action adopted Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated September 25, 2019 on our consideration of Innovations for Poverty Action's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Innovations for Poverty Action's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Innovations for Poverty Action's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
September 25, 2019

INNOVATIONS FOR POVERTY ACTION

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and cash equivalents	\$ 6,243,928	\$ 6,320,981
Grants receivable, net	12,182,844	10,101,766
Contributions receivable, net	2,350,309	1,552,648
Other receivable	30,519	19,712
Prepaid expenses and other assets	1,603,711	1,196,490
Property and equipment, net	<u>371,044</u>	<u>266,755</u>
Total Assets	<u>\$ 22,782,355</u>	<u>\$ 19,458,352</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 4,569,602	\$ 4,297,951
Deferred revenue	16,072,373	13,892,082
Line of credit	900,000	1,200,000
Total liabilities	<u>21,541,975</u>	<u>19,390,033</u>
Net Assets		
Net assets without donor restrictions	(1,109,928)	(1,321,900)
Net assets with donor restrictions	<u>2,350,308</u>	<u>1,390,219</u>
Total net assets	<u>1,240,380</u>	<u>68,319</u>
Total Liabilities and Net Assets	<u>\$ 22,782,355</u>	<u>\$ 19,458,352</u>

The accompanying notes are an integral part of the financial statements

INNOVATIONS FOR POVERTY ACTION

STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Changes in Net Assets Without Donor Restrictions		
Revenue and support:		
Grants and contracts	\$ 36,813,717	\$ 37,017,025
Contributions	2,331,035	5,140,470
Other income	8,333	5,541
Net assets released from restrictions	1,002,601	988,000
Total revenue and support	<u>40,155,686</u>	<u>43,151,036</u>
Expenses:		
Program services	32,389,622	31,278,956
Management and general	7,047,397	6,601,308
Fundraising	506,695	454,004
Total expenses	<u>39,943,714</u>	<u>38,334,268</u>
Increase in net assets without donor restrictions	<u>211,972</u>	<u>4,816,768</u>
Changes in Net Assets With Donor Restrictions		
Contributions	1,962,690	356,415
Net assets released from restrictions	<u>(1,002,601)</u>	<u>(988,000)</u>
Increase (decrease) in net assets with donor restrictions	<u>960,089</u>	<u>(631,585)</u>
Increase in Net Assets	1,172,061	4,185,183
Net Assets - Beginning of Year	<u>68,319</u>	<u>(4,116,864)</u>
Net Assets - End of Year	<u>\$ 1,240,380</u>	<u>\$ 68,319</u>

The accompanying notes are an integral part of the financial statements

INNOVATIONS FOR POVERTY ACTION

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel expenses	\$ 16,290,041	\$ 4,525,008	\$ 340,411	\$ 21,155,460
Travel	4,416,609	290,584	22,674	4,729,867
Professional fees	3,538,109	732,791	-	4,270,900
Subgrants	1,633,201	1,987	-	1,635,188
Outside services	1,554,738	4,033	-	1,558,771
Computer/network	685,850	537,765	38,441	1,262,056
Occupancy	866,424	278,235	36,400	1,181,059
Other operating expenses	1,043,503	58,355	42,622	1,144,480
Office expense	636,229	122,513	7,909	766,651
Conferences and trainings	637,787	23,032	12,410	673,229
Program supplies	542,110	950	-	543,060
Motor vehicle	355,766	4,850	-	360,616
Bad debt and other unrecoverable costs	2,993	311,276	-	314,269
Insurance	166,222	96,872	5,828	268,922
Interest expense	-	59,146	-	59,146
Depreciation	20,040	-	-	20,040
Total Expenses	\$ 32,389,622	\$ 7,047,397	\$ 506,695	\$ 39,943,714

The accompanying notes are an integral part of the financial statements

INNOVATIONS FOR POVERTY ACTION

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel expenses	\$ 15,166,825	\$ 4,359,920	\$ 292,936	\$ 19,819,681
Travel	3,313,227	197,016	21,629	3,531,872
Professional fees	2,632,039	526,487	-	3,158,526
Subgrants	3,178,552	-	-	3,178,552
Outside services	862,538	637	38	863,213
Computer/network	865,568	299,806	22,208	1,187,582
Occupancy	860,540	184,927	22,944	1,068,411
Other operating expenses	1,046,659	255,723	69,874	1,372,256
Office expense	681,405	133,032	8,762	823,199
Conferences and trainings	565,077	42,791	6,595	614,463
Program supplies	1,410,503	18	-	1,410,521
Motor vehicle	580,040	1,138	-	581,178
Bad debt and other unrecoverable costs	669	400,000	-	400,669
Insurance	98,264	105,067	6,322	209,653
Interest expense	17	49,930	-	49,947
Depreciation	17,033	44,816	2,696	64,545
Total Expenses	\$ 31,278,956	\$ 6,601,308	\$ 454,004	\$ 38,334,268

The accompanying notes are an integral part of the financial statements

INNOVATIONS FOR POVERTY ACTION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Cash Flows from Operating Activities		
Increase in net assets	\$ 1,172,061	\$ 4,185,183
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	20,040	64,545
Bad debt and other unrecoverable costs	314,269	400,669
(Increase) decrease in operating assets:		
Grants receivable, net	(2,395,347)	3,105,971
Contributions receivable, net	(797,661)	1,014,407
Other receivable	(10,807)	(10,484)
Prepaid expenses and other assets	(407,221)	(758,864)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	271,651	(829,368)
Deferred revenue	2,180,291	(6,526,790)
Net cash provided by operating activities	<u>347,276</u>	<u>645,269</u>
Cash Flows from Investing Activities		
Purchases of property and equipment	(124,329)	(241,110)
Net cash used in investing activities	<u>(124,329)</u>	<u>(241,110)</u>
Cash Flows from Financing Activities		
Repayment on line of credit	(300,000)	-
Net cash used in financing activities	<u>(300,000)</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(77,053)	404,159
Cash and Cash Equivalents - Beginning of Year	<u>6,320,981</u>	<u>5,916,822</u>
Cash and Cash Equivalents - End of Year	<u>\$ 6,243,928</u>	<u>\$ 6,320,981</u>
Cash Paid During the Year for Interest	\$ 59,086	\$ 64,545

The accompanying notes are an integral part of the financial statements

INNOVATIONS FOR POVERTY ACTION

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION

Activities

Innovations for Poverty Action (the Organization) is a research and policy nonprofit that discovers and promotes effective solutions to global poverty problems. The Organization brings together researchers and decision-makers to design, rigorously evaluate and refine these solutions and their applications, ensuring that the evidence created is used to improve the lives of the world's poor.

In recent decades, trillions of dollars have been spent on programs designed to reduce global poverty, but clear evidence on which programs succeed is rare, and when evidence does exist, decision-makers often do not know about it. The Organization exists to bring together leading researchers and these decision-makers to ensure that the evidence leads to tangible impact on the world. Since the Organization's founding in 2002, IPA has worked with over 575 leading academics to conduct over 700 evaluations in 51 countries. This research has informed hundreds of successful programs that now impact millions of individuals worldwide.

Accomplishments

In 2018, the Organization:

- Started 98 new studies, and shared research findings and promoted the use of evidence through more than 66 events around the world.
- Saw its research contribute to more evidence-based programs. Examples included: the U.S. Agency for International Development (USAID) cited IPA research in its decision to shift from traditional microfinance to the Graduation Approach and to building more inclusive markets; the World Health Organization (WHO) issued a new guideline citing IPA research in a recommendation to offer a career ladder to practicing community health workers; and an embedded evidence lab within Peru's Ministry of Education (launched by IPA and our partners) scaled up a campaign that helped schools use maintenance funds as intended.
- Launched the Right-Fit Evidence (RFE) Unit. Complementing IPA's traditional randomized evaluation work, the RFE Unit provides resources and consulting services to organizations, donors, and governments in designing and supporting cost-effective, appropriately sized monitoring and evaluation systems.
- Developed and publicly released a new strategic plan called the "2025 Strategic Ambition" in which the Organization laid out an ambitious plan to create stronger evidence, share evidence strategically and equip decision-makers to use evidence.
- Influenced global debates and communicated key research and policy findings to a global audience; its work was featured in many national and international media outlets that included *The New York Times*, NPR, *The Economist*, *The Atlantic*, Vox and *WIRED*.
- Had results published in peer-reviewed academic journals including *Lancet Global Health*, *Proceedings of the National Academy of Sciences of the United States of America*, *Quarterly Journal of Economics*, *Journal of Labor Economics* and many more.

INNOVATIONS FOR POVERTY ACTION

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Change in Accounting Principle

In August 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The amendment changes the previous reporting model for nonprofit organizations and enhances the disclosure requirements. The major changes include: (a) requiring the presentation of only two classes of net assets rather than three, (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal investments expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. This ASU is effective for annual periods beginning after December 15, 2017. Management has adopted ASU 2016-14 for the year ended December 31, 2018. The amendments have been retrospectively applied with the exception of disclosures on liquidity and availability of resources for the year ended December 31, 2017.

Basis of Accounting and Presentation

The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Net assets, revenues and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions represent available resources other than donor-restricted contributions. These resources may be expended at the discretion of the Board of Directors.

Net Assets With Donor Restrictions

Net assets with donor restrictions represent contributions that are restricted by the donor as to purpose or time of expenditure.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents are defined as highly liquid investments with original maturities of 90 days or less. The Organization maintains deposits in financial institutions that may, at times, exceed federal depository insurance limits. Management believes that the Organization's deposits are not subject to significant credit risk.

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NOTES TO FINANCIAL STATEMENTS

Prepaid Expenses and Other Assets

Prepaid expenses and other assets consist of payments made in advance on insurance policies and service contracts, including those associated with the implementation of a new financial reporting software. The expense is recognized pro-ratably over the contract term throughout the year.

Grants and Contracts

Other than certain awards to fund capital expenditures, governmental grants and contracts are generally considered to be exchange transactions rather than contributions. Revenue from cost-reimbursement grants and contracts is recognized to the extent of costs incurred. Revenue from performance-based grants and contracts is recognized to the extent of performance achieved. Grant and contract receipts in excess of revenue recognized are presented as deferred revenue.

Grants receivable are stated at the amount management ultimately expects to collect. Management maintains an allowance for doubtful accounts based on a review of specific accounts and general historical experience. Allowance for uncollectible grants as of December 31, 2018 and 2017 was approximately \$1,493,000 and \$1,571,000, respectively.

Property and Equipment

Property and equipment acquisitions and improvements thereon that exceed \$5,000 are capitalized at cost and depreciated on a straight-line basis over their estimated useful lives. Repairs and maintenance are charged to expense as incurred.

Contributions

Unconditional contributions are recognized when pledged or received, as applicable, and are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions receivable expected to be collected in more than one year are discounted to their present value and are recognized within net assets with donor restrictions. The Organization reports nongovernmental contributions and grants of cash and other assets as net assets with donor restrictions if they are received with donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions received whose restrictions are met in the same period are presented with net assets without donor restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

In-Kind Contributions and Contributed Services and Supplies

The Organization recognizes donated services at their estimated fair value if they create or enhance nonfinancial assets or require specialized skills and would typically be purchased if not provided by donation. The Organization receives services from a large number of volunteers who give significant amounts of their time to the Organization's programs but do not meet the criteria for financial statement recognition. General volunteer services do not meet these criteria for recognition.

In-kind contributions are reflected as contributions at their fair value at date of donation and are reported as support without donor restrictions unless explicit donor stipulations specify how donated assets must be used. The Organization benefited from donated professional services, software and advertising that were valued by the individuals providing the services at \$617,214 and \$391,837 during the years ended December 31, 2018, and 2017, respectively. This amount is included in contribution revenue and program service expense on the statements of activities.

INNOVATIONS FOR POVERTY ACTION

NOTES TO FINANCIAL STATEMENTS

Functional Allocation of Expenses

The costs of providing various programs and other activities have been reported on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis. Personnel expenses, travel, professional fees, computer/network, occupancy, other operating expenses, office expense and insurance are allocated based on time and effort.

Income Taxes

The Organization is exempt from federal and state income taxes as a public charity under Section 501(c)(3) of the Internal Revenue Code.

Foreign Currency Translation

The Organization uses the functional currency of their country offices. The Organization's reporting currency is the U.S. dollar. Assets and liabilities of the Organization's foreign operations are translated into U.S. dollars at year-end exchange rates. Revenue and expense accounts and cash flows are translated using an average of exchange rates in effect during the period. Exchange gains and losses from transactions denominated in a foreign currency are recognized as a component of support and revenue in current operations.

Subsequent Events

In preparing these financial statements, management has evaluated subsequent events through September 25, 2019, which represents the date the financial statements were available to be issued.

NOTE 3 - CONTRIBUTIONS RECEIVABLE

Contributions receivable as of December 31, 2018 and 2017 are expected to be collected as follows:

	<u>2018</u>	<u>2017</u>
Receivable in less than one year	\$ 2,001,516	\$ 827,469
Receivable in one to five years	366,500	766,000
Total contributions receivable	<u>2,368,016</u>	<u>1,593,469</u>
Less discount to present value	<u>17,707</u>	<u>40,821</u>
Net Contributions Receivable	<u>\$ 2,350,309</u>	<u>\$ 1,552,648</u>

Contributions receivable in more than one year are discounted at 2.50% as of December 31, 2018 and 2017.

An allowance for uncollectible contributions receivable was not deemed necessary for the years ended December 31, 2018 and 2017.

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NOTES TO FINANCIAL STATEMENTS

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Leasehold improvements	\$ 337,335	\$ 337,335
Computer equipment	288,121	288,119
Vehicles	259,654	259,654
Other equipment	61,043	61,043
Financial reporting software in progress	333,659	209,344
	<u>1,279,812</u>	<u>1,155,495</u>
Less accumulated depreciation	<u>908,768</u>	<u>888,740</u>
Net Property and Equipment	<u>\$ 371,044</u>	<u>\$ 266,755</u>

Depreciation expense was \$20,040 and \$64,545 for the years ended December 31, 2018 and 2017, respectively.

Financial reporting software in progress as of December 31, 2018 and 2017 relates to the implementation of a new financial reporting software package. The software was placed in service in fiscal year 2019.

NOTE 5 - LINE OF CREDIT

The Organization has a line of credit with Citibank in the amount of \$1,200,000 with interest at the Prime rate, which was 5.50% and 4.50% at December 31, 2018 and 2017, respectively. The line of credit is collateralized by substantially all of the Organization's assets.

The outstanding balance on the line of credit was \$900,000 and \$1,200,000 as of December 31, 2018 and 2017, respectively.

NOTE 6 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Cash and cash equivalents	\$ 6,243,928
Grants receivable, net	12,182,844
Contributions receivable, due in one year	2,001,516
Other receivables	30,519
	<u>20,458,807</u>
Less amounts unavailable for general expenditures within one year, due to:	
Restricted by donors with purpose restrictions	<u>(2,350,308)</u>
Total Financial Assets Available to Management for General Expenditure Within One Year	<u>\$ 18,108,499</u>

INNOVATIONS FOR POVERTY ACTION

NOTES TO FINANCIAL STATEMENTS

Liquidity Management

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. As noted in Note 5, the Organization has a line of credit in the amount of \$1,200,000 and it could draw up to \$300,000 as of December 31, 2018 should the need arise. In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions represent contributions that are due over time. Net assets with donor restrictions due in future periods as of December 31, 2018 and 2017 were \$2,350,309 and \$1,390,219, respectively. Net assets in the amount of \$1,002,601 and \$988,000 were released from restriction during the years ended December 31, 2018 and 2017, respectively, by satisfying the corresponding time restrictions.

NOTE 8 - OPERATING LEASES

The Organization has entered into multiple operating lease agreements for its headquarters that expire at various dates through December 2019. The original leases have been amended multiple times to incorporate additional office space. The Organization also leases office space in various domestic and foreign locations, some on a month-to-month basis and others under leases expiring through February 2022. Total rental expenses for the years ended December 31, 2018 and 2017 amounted to approximately \$758,000 and \$791,000, respectively, of which approximately \$418,000 and \$433,000, respectively, related to foreign operations.

Estimated future minimum lease payments are as follows:

Year Ending December 31

2019	\$	524,658
2020		167,176
2021		4,690
2022		<u>320</u>
	\$	<u><u>696,844</u></u>

INNOVATIONS FOR POVERTY ACTION

NOTES TO FINANCIAL STATEMENTS

NOTE 9 - CONTINGENCIES

The Organization has received grants and contracts for specific purposes that are subject to review, audit and adjustment by the grantors. Such audits could lead to requests for reimbursements to such donors for any expenditures or claims disallowed under the terms of the agreements. Based on prior experience, management believes such disallowances, if any, will not be material to the financial statements.

In connection with its mission, the Organization maintains facilities outside the United States in 18 countries. Compliance with laws and regulations within each of these countries is subject to review by the corresponding governmental agencies. Management has identified potential tax liabilities related to doing business in various foreign countries and has hired experts for assistance. For countries where estimates are determinable, liabilities have been recognized as of December 31, 2018 and 2017. A liability has not been recognized for countries where management is unable to make a reasonable estimate as of December 31, 2018 and 2017.

NOTE 10 - EMPLOYEE BENEFITS

The Organization maintains a defined contribution plan in which all of the Organization's employees are automatically enrolled once they have met certain eligibility requirements.

Employees are eligible for a matching contribution from the Organization of up to 3% of salary, which will vest immediately after 90 days. Contribution expense recognized by the Organization was \$365,202 and \$323,135 for the years ended December 31, 2018 and 2017, respectively.

NOTE 11 - FOREIGN OPERATIONS

As of December 31, 2018 and 2017, assets in other countries, including cash, totaled \$1,872,655 and \$975,883, property and equipment, net of accumulated depreciation, amounted to \$37,385 and \$57,411 and liabilities in other countries were \$3,688,740 and \$2,996,313, respectively. Total overseas support and revenue received from foreign sources amounted to \$9,227,996 and \$8,545,570 for the years ended December 31, 2018 and 2017, respectively. Account balances relating to foreign operations are reflected in the financial statements in United States dollars.