

**ICNA RELIEF USA PROGRAMS
1529 JERICHO TURNPIKE
NEW HYDE PARK, NY 11040**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

ICNA RELIEF USA PROGRAMS

INDEX

INDEPENDENT AUDITOR'S REPORT	1
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF ACTIVITIES	3
STATEMENT OF CASH FLOWS	4
STATEMENT OF FUNCTIONAL EXPENSES	5
NOTES TO FINANCIAL STATEMENTS	6-10

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
ICNA Relief USA Programs Inc.
1529 Jericho Turnpike
New Hyde Park, NY 11040

We have audited the accompanying financial statements of ICNA Relief USA Programs, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditor's 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 auditor considers internal controls 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 controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we 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 ICNA Relief USA Programs, Inc., 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.



November 15, 2024
Jericho, New York

**ICNA RELIEF USA PROGRAMS INC.
STATEMENTS OF FINANCIAL POSITION**

	DECEMBER 31,	
ASSETS	2023	2022
CURRENT ASSETS:		
Cash	10,592,719	13,169,092
Short Term Investment	1,600,375	1,413,079
Prepayments	333,977	-
Sundry Receivable	250	474
Total Current Assets	12,527,321	14,582,645
FIXED ASSETS:		
Land	1,248,200	1,248,200
Building	4,781,836	4,733,933
Building improvements	326,457	326,457
Vehicles	1,504,069	1,167,172
Furniture and fixtures	63,752	63,752
	7,924,314	7,539,514
Less: Accumulated depreciation	(1,687,221)	(1,391,240)
Total Fixed Assets	6,237,093	6,148,274
TOTAL ASSETS	\$ 18,764,414	\$ 20,730,919
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Due to related party	-	60,000
Sundry Creditors	13,533	23,935
Accrued expenses	15,000	28,500
Total Current Liabilities	28,533	112,435
Total Liabilities	28,533	112,435
NET ASSETS:		
Unrestricted	18,735,881	20,618,484
Temporarily restricted	-	-
Total Net Assets	18,735,881	20,618,484
TOTAL LIABILITIES & NET ASSETS	\$ 18,764,414	\$ 20,730,919

See notes to financial statements.

**ICNA RELIEF USA PROGRAMS INC.
STATEMENTS OF ACTIVITIES**

	FOR THE YEAR ENDED DECEMBER 31,	
	2023	2022
UNRESTRICTED NET ASSETS		
Operating unrestricted public support and revenues	22,550,940	24,221,952
Government Grants	1,194,785	856,595
Investment income	79,042	42,946
Unrealized gain (loss) on investment	316,313	(286,591)
In-kind contribution and donated services	<u>22,543,673</u>	<u>20,877,027</u>
 Total unrestricted public support and revenues	 46,684,753	 45,711,928
 EXPENSES		
Program services	45,401,958	40,565,733
Supporting services		
Management and general expenses	996,153	887,272
Fund raising expenses	<u>2,169,245</u>	<u>1,757,616</u>
 Total Expenses	 48,567,356	 43,210,621
 Increase in unrestricted net assets	 (1,882,603)	 2,501,307
 TEMPORARILY RESTRICTED NET ASSETS		
Net assets released from restrictions	<u>-</u>	<u>-</u>
 Increase in temporarily restricted net assets	 <u>-</u>	 <u>-</u>
 Increase in net assets	 (1,882,603)	 2,501,307
 Net assets, beginning of year	 <u>20,618,484</u>	 <u>18,117,177</u>
 Net assets, end of year	 <u><u>\$ 18,735,881</u></u>	 <u><u>\$ 20,618,484</u></u>

See notes to financial statements.

**ICNA RELIEF USA PROGRAMS INC.
STATEMENTS OF CASH FLOWS**

	FOR THE YEAR ENDED	
	DECEMBER 31,	
	2023	2022
Cash flow from operating activities		
Increase in net assets	\$ (1,882,603)	\$ 2,501,307
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expenses	295,981	283,060
In-kind contribution and donated services	(22,543,673)	(20,877,027)
Distribution of in-kind contribution and donated services	22,543,673	20,877,027
Increase (Decrease) in due to related party	(60,000)	60,000
(Increase) decrease in short term investment	(187,296)	181,041
(Increase) decrease in prepayments	(333,977)	-
(Increase) decrease in sundry receivable	224	(274)
Increase (decrease) in Accrued Expenses	(13,500)	13,500
Increase (decrease) in sundry and Other creditors	(10,402)	3,044
	<u>(2,191,573)</u>	<u>3,041,678</u>
Cash flow from investing activities		
Disposal of fixed assets	-	-
Purchase of fixed assets	(384,800)	(4,138,280)
	<u>(384,800)</u>	<u>(4,138,280)</u>
Cash flow from financing activities		
Principal payment of note payable	-	-
	<u>-</u>	<u>-</u>
NET INCREASE IN CASH	(2,576,373)	(1,096,602)
Cash, beginning of year	<u>13,169,092</u>	<u>14,265,694</u>
Cash, end of year	<u>\$ 10,592,719</u>	<u>\$ 13,169,092</u>

See notes to financial statements.

ICNA RELIEF USA PROGRAMS INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021 WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Expenses	Management & General Expenses	Fund Fund Raising Expenses	Total Expenses	
				2023	2022
Payroll Expenses	9,261,531	197,167	575,500	10,034,198	8,278,958
Compensation to Officers	-	213,583	-	213,583	222,679
Payroll Taxes	842,862	48,500	55,450	946,812	769,795
Employee benefits	559,110	80,125	45,600	684,835	554,262
Community assistance	28,427,613	-	-	28,427,613	26,043,609
Professional fees	104,081	38,082	5,450	147,613	117,821
Dues and subscriptions	12,147	-	-	12,147	14,037
Contractual services	572,860	-	106,540	679,400	752,486
Telephone and internet	95,476	5,480	10,548	111,504	141,311
Insurance	320,621	-	-	320,621	639,093
Utilities	517,024	-	-	517,024	365,766
Occupancy	1,805,172	60,000	-	1,865,172	1,628,529
Conventions & conferences	804,494	7,140	170,545	982,179	890,932
Advertising	52,973	-	110,458	163,431	212,273
Printing and publications	802,997	-	1,030,449	1,833,446	1,024,419
Postage and shipping	85,157	-	10,450	95,607	85,097
Supplies	49,938	2,040	-	51,978	50,352
Repairs and maintenance	866,181	-	-	866,181	828,049
Traveling and transportations	189,467	14,540	48,255	252,262	265,623
Bank and credit card charges	32,254	33,515	-	65,769	42,471
Depreciation	-	295,981	-	295,981	283,059
Total expenses	45,401,958	996,153	2,169,245	48,567,356	43,210,621

See notes to financial statements.

ICNA RELIEF USA PROGRAMS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR THEN ENDED DECEMBER 31, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities:

The ICNA Relief USA Programs (herein referred to as (“ICNA Relief” or “Organization”), was organized as a non-profit organization in the state of New York on February 22, 2005, and received their exemption status as a Public Charity under section 501 (c) (3) of Internal Revenue Code, effective as of that date.

ICNA Relief was formed to provide food, medicines, clothing, shelter and other humanitarian help to the needy, poor, sick, disabled and destitute individuals within the United States. The Organization also provides various services in disaster effected areas such as hot food, clothing, medical and hygienic items and long-term recovery for disaster effectees. Every year, the Organizations’ volunteers distribute thousands of school bags and school supplies to children in under-served, impoverished communities. In 2023, more than 48,000 school bags with supplies were distributed to children in 250 locations in the U.S. Also, the Organization provides temporary shelter to the homeless women who stay in the rented and owned facility. Residents at shelter are provided with food, individual and group counseling, case management, access to vocational training and supportive services to help them obtain permanent housing, employment, and financial assistance. As of December 31, 2023, the Organization has 26 women transitional housing, 7 free health clinics and 4 mobile clinics located in various cities of the country.

ICNA Relief combats the healthcare crisis by offering free medical services to those who don’t qualify for state-sponsored health insurance and/or cannot purchase private insurance. ICNA Relief’s health clinics are staffed by a dedicated force of volunteers who are responsible for everything from direct patient care to administrative tasks.

Contributions for these programs come from the public and government grants.

Promises to Give:

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. There was no Pledges Receivable outstanding as of December 31, 2023 and 2022. It is common practice

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

for donors to authorize monthly donations via direct debits from their credit cards. These types of donations may be cancelled by the donor at any time, and as such, accruals are not made for these donations; they are accounted for as an increase in net assets at the time the donation is deposited in ICNA Relief's bank account.

Restricted and unrestricted revenue and support:

Contributions that are restricted by the donor are reported as increase in unrestricted net assets if the restrictions expire in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increase in temporarily restricted net assets. When a restriction expires, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

ICNA Relief did not have any permanently restricted funds at any time during 2023 and 2022. Donors are entitled, with limitation, to itemize their donations for income tax purposes.

In-kind contribution and donated services:

In-kind contribution of property, equipment and supplies totaled \$21,615,899 and \$20,274,197 for the year ended December 31, 2023 and 2022, respectively.

The Organization receives significant donations of time and services from members of the community and volunteers related to program operation, and special events. Donated services are recorded in the financial statements to the extent that those services create or enhance a nonfinancial asset or meet all of the following criteria: a) the services require specialized skills, b) the service is provided by individuals who possess those skills, and c) the service would typically need to be purchased if not contributed. Services meeting the criteria for recognition in the financial statements totaled \$927,774 for the year ended December 31, 2023.

The Organization also receives donated services that do not require specific expertise, but which are nonetheless central to the Organization's operations. For the year ended December 31, 2023, the estimated fair value of these services, based on the estimated dollar value of volunteer time calculated by average rate by job category, totaled approximately \$1,566,788. The value of these services is not reflected in the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grant revenue/receivable:

Cost reimbursement grants are recognized as revenue when the expenses are incurred. Amounts earned but not received are reported as grant receivable. Other revenue is recognized when earned. The organization earned grant revenue of \$1,194,785 and \$856,595 for the year ended December 31, 2023 and 2022.

Property and Equipment:

It is Organization's policy to capitalize all expenditures in excess of \$1,000 for property and equipment at cost. Depreciation is provided over the estimated useful life of the respective assets on a straight-line basis. Routine repairs and maintenance are expensed as incurred. Depreciation expense for the year ended December 31, 2023 and 2022 was \$295,981 and \$283,059 respectively.

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Financial Statement Presentation:

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Advertising Expense:

The Organization expenses advertising costs as incurred. Advertising expense for the year ended December 31, 2023 and 2022 was \$163,431 and \$212,273, respectively.

Functional Expenses Allocation:

Expenses that can be identified with a specific program or supporting service are charged directly to the program or supporting service. Expenses which apply to more than one functional category have been allocated based on estimates made by management.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes:

ICNA Relief is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as a Public Charity. The Organization does not have any income from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

The Organization Files Federal, Alabama, Alaska, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Hawaii, Illinois, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Nevada, New Hampshire, New Jersey, New Mexico, New York,, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Virginia, Washington, Washington D.C., West Virginia and Wisconsin tax returns.

Reclassifications:

Certain amounts in the 2022 financial statements have been reclassified for comparative purposes to conform to presentation in the 2023 financial statements.

NOTE 2 – FUND ACCOUNTING

To ensure observance of limitations and restriction placed on the use of resources available to Organization, the accounting books and records of ICNA Relief are maintained in accordance with the principles of fund accounting. Resources for various purposes are therefore, classified for accounting and reporting purposes into funds established according to their nature and purpose. The Organization has thirty two field offices in various cities of the United States in addition to the head office in Jamaica, New York. All intra-office accounts and transactions have been eliminated in financial statements.

NOTE 3 – RELATED PARTY TRANSACTIONS

The following transaction were conducted during 2023 and 2022 with Islamic Circle of North America (ICNA), a not-for-profit section 501(c) (3) Organization. Some of the board members of ICNA have a voting interest in the Organization.

The Organization accrued a rent payable to ICNA in the amount of \$60,000 and\$60,000 for the year ended December 31, 2023 and 2022, respectively.

NOTE 4 - CONCENTRATION OF CREDIT RISK

Cash maintained in accounts with financial institutions may, at times, exceed the federally insured \$250,000 limit per institution. The Organization has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk with respect to cash and cash equivalent.

NOTE 5 - BANK CONFIRMATIONS

Bank confirmation letters were sent out at the beginning of 2024 and despite several reminders, we did not receive confirmation letters from the banks confirming the balances. However, we obtained the bank statements and reconciliations and year end balances as per general ledger were reconciled with these documents.

NOTE 6 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 15, 2024, the date the financial statements were available to be issued.

NOTE 7 – CONTINGENCIES

The Organization has no contingent liability for the audit year ended on December 31, 2023.

NOTE 8 – PROGRAM EXPENSES

The foundation incurred expenses in different programs during the year the detail of which is as follows:

	Hunger Prevention	Health Service	Muslim Family Service	Refugee Services	Transitional Housing	Back 2 School Giveaways	Disaster Relief	Total Program Expenses
Payroll Expenses	2,529,537	1,264,768	1,806,812	1,355,109	993,747	722,725	361,362	9,034,061
Payroll Taxes	229,654	114,827	164,038	123,029	90,221	65,615	32,808	820,191
Employee Benefits	146,201	73,100	104,429	78,322	57,436	41,772	20,886	522,145
Community Assistance	18,863,244	1,935,468	2,303,036	4,459,790	284,936	549,019	32,120	28,427,613
Professional fees	24,336	12,168	17,383	13,037	9,561	6,953	3,477	86,914
Dues and Subscription	4,594	2,297	3,281	2,461	1,805	1,313	656	16,407
Contractual Services	213,035	106,517	152,168	114,126	83,692	60,867	30,434	760,838
Telephone and Internet	40,360	20,180	28,829	21,621	15,856	11,531	5,766	144,143
Insurance	209,163	104,582	149,402	112,052	82,171	59,761	29,880	747,012
Utilities	119,709	59,854	85,506	64,130	47,028	34,202	17,101	427,530
Occupancy	513,351	256,675	366,679	275,009	201,674	146,672	73,336	1,833,396
Conventions and Conferences	235,198	117,599	167,999	125,999	92,399	67,200	33,600	839,994
Advertising	32,649	16,324	23,321	17,491	12,826	9,328	4,664	116,603
Printing and Publications	75,036	37,518	53,597	40,198	29,478	21,439	10,719	267,984
Postage and shipping	24,694	12,347	17,639	13,229	9,701	7,055	3,528	88,193
Supplies	15,668	7,834	11,192	8,394	6,155	4,477	2,238	55,958
Repair and Maintenance	271,005	135,503	193,575	145,181	106,466	77,430	38,715	967,876
Tranveling and Transportation	65,366	32,683	46,690	35,017	25,679	18,676	9,338	233,449
Bank and Credit Card Charges	3,262	1,631	2,330	1,747	1,281	932	466	11,649
	23,616,061	4,311,876	5,697,905	7,005,942	2,152,114	1,906,967	711,094	45,401,958