

**USA for UNFPA, Inc.
and
Friends of Americans for UNFPA, Inc.**

Consolidated Audited Financial Statements

December 31, 2023



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**USA for UNFPA, Inc.
and
Friends of Americans for UNFPA, Inc.**

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Independent Auditor's Report

Board of Directors

USA for UNFPA, Inc. (formerly known as Friends of UNFPA, Inc.)
and Friends of Americans for UNFPA, Inc.

Opinion

We have audited the consolidated financial statements of USA for UNFPA, Inc. (formerly known as Friends of UNFPA, Inc.) and Friends of Americans for UNFPA, Inc. (collectively, the "Organization"), which comprise the consolidated statements of financial position as of December 31, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated 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 consolidated 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 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 consolidated 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 the Organization'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 the Organization'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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2022 financial statements, and we expressed an unmodified audit opinion on those consolidated audited financial statements in our report dated August 23, 2023. 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 consolidated audited financial statements from which it has been derived.

Sax CPAs LLP

New York, NY
September 5, 2024.

USA for UNFPA, Inc.
and
Friends of Americans for UNFPA, Inc.

Consolidated Statement of Financial Position

At December 31, 2023
(With comparative totals at December 31, 2022)

	December 31,	
	2023	2022
ASSETS		
Cash and cash equivalents	\$ 1,409,026	\$ 985,144
Contributions and other receivables	229,121	177,512
Prepaid expenses and other assets	43,799	37,129
	\$ 1,681,946	\$ 1,199,785
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 136,297	\$ 98,375
Grants payable	551,316	312,473
Total liabilities	687,613	410,848
NET ASSETS		
Without donor restrictions	992,906	788,937
With donor restrictions	1,427	-
Total net assets	994,333	788,937
TOTAL LIABILITIES AND NET ASSETS	\$ 1,681,946	\$ 1,199,785

The attached notes and auditor's report are integral part of these financial statements.

USA for UNFPA, Inc.
and
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Consolidated Statement of Activities

For the Year Ended December 31, 2023
(With comparative totals for the year ended December 31, 2022)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 12/31/23</u>	<u>Total 12/31/22</u>
PUBLIC SUPPORT AND REVENUE				
Contributions	\$ 4,551,568	\$ 1,150,000	\$ 5,701,568	\$ 4,529,260
In-kind contributions	206,494	-	206,494	129,185
Interest and other income	19,288	-	19,288	4,352
Net assets released from restriction	1,148,573	(1,148,573)	-	-
Total public support and revenue	<u>5,925,923</u>	<u>1,427</u>	<u>5,927,350</u>	<u>4,662,797</u>
EXPENSES				
Program services	4,423,499	-	4,423,499	4,014,067
Management and general	405,244	-	405,244	402,528
Fundraising	893,211	-	893,211	697,783
Total expenses	<u>5,721,954</u>	<u>-</u>	<u>5,721,954</u>	<u>5,114,378</u>
Change in net assets	203,969	1,427	205,396	(451,581)
NET ASSETS, <i>beginning of year</i>	<u>788,937</u>	<u>-</u>	<u>788,937</u>	<u>1,240,518</u>
NET ASSETS, <i>end of year</i>	<u><u>\$ 992,906</u></u>	<u><u>\$ 1,427</u></u>	<u><u>\$ 994,333</u></u>	<u><u>\$ 788,937</u></u>

The attached notes and auditor's report are integral part of these financial statements.

**USA for UNFPA, Inc.
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Consolidated Statement of Functional Expenses

For the Year Ended December 31, 2023
(With comparative totals for the year ended December 31, 2022)

	Program Services	Management and General	Fundraising	Total 12/31/23	Total 12/31/22
Salaries	\$ 477,169	\$ 142,350	\$ 311,229	\$ 930,748	\$ 751,253
Payroll taxes and benefits	128,659	38,382	83,917	250,958	191,862
Grant expense	2,509,995	-	-	2,509,995	2,597,818
Professional fees	408,298	180,174	27,961	616,433	620,775
Occupancy	7,690	2,294	5,016	15,000	15,000
Office supplies and equipment	5,254	1,237	2,983	9,474	35,301
Postage and shipping	121,394	-	98,948	220,342	130,883
Travel and entertainment	74,984	3,541	349	78,874	15,614
Insurance	3,418	1,020	2,229	6,667	6,397
Printing and promotion	472,999	-	217,553	690,552	528,976
Bank and credit card charges	-	1,199	102,561	103,760	53,654
In-kind legal and marketing	206,494	-	-	206,494	129,185
Other expenses	7,145	35,047	40,465	82,657	37,660
Total expenses	\$ 4,423,499	\$ 405,244	\$ 893,211	\$ 5,721,954	\$ 5,114,378

The attached notes and auditor's report are integral part of these financial statements.

**USA for UNFPA, Inc.
and
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Consolidated Statement of Cash Flows

For the Year Ended December 31, 2023
(With comparative totals for the year ended December 31, 2022)

	December 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 205,396	\$ (451,581)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Donated stock	(145,346)	(237,112)
Changes in assets and liabilities:		
Contributions and other receivables	(51,609)	351,274
Prepaid expenses and other assets	(6,670)	8,127
Accounts payable and accrued expenses	37,922	(88,087)
Grants payable	238,843	268,751
Net cash flows provided by operating activities	73,140	302,953
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(45,883)	(5,125)
Proceeds from sale of investments	191,229	242,237
Net cash flows provided by investing activities	145,346	237,112
Net increase in cash and cash equivalents	423,882	88,484
CASH AND CASH EQUIVALENTS, <i>beginning of year</i>	985,144	896,660
CASH AND CASH EQUIVALENTS, <i>end of year</i>	\$ 1,409,026	\$ 985,144
SUPPLEMENTAL CASH FLOW INFORMATION		
No interest or income taxes were paid		

The attached notes and auditor's report are integral part of these financial statements.

**USA for UNFPA, Inc.
and
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Notes to Consolidated Financial Statements

December 31, 2023

Note 1 - Organization

USA for UNFPA, Inc., (formerly known as Friends of UNFPA, Inc.), is a not-for-profit corporation, incorporated in the State of New York. It was established in 1998 in order to build support for the work of UNFPA, the United Nations Population Fund. To advance its mission, USA for UNFPA, Inc. works collaboratively with UNFPA, other nongovernmental organizations, corporations, foundations, and the public to mobilize funds and action to promote the health and dignity of women and girls everywhere.

Friends of Americans for UNFPA, Inc. was founded in 2002 as a not-for-profit corporation to support USA for UNFPA, Inc.

USA for UNFPA, Inc. is the sole member of Friends of Americans for UNFPA, Inc. The consolidated financial statements and related notes reflect the activities of USA for UNFPA, Inc. and Friends of Americans for UNFPA, Inc. and are referred to collectively, as the "Organization." All inter-company transactions have been eliminated.

Both entities are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and similar New York State statutes and have been designated as organizations which are not private foundations.

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting, which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

b. Basis of Presentation

The financial statements are presented in accordance with the provisions of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 958-*Presentation of Financial Statements of Not-For-Profit Entities*. FASB ASC 958 requires the Organization to report information regarding its financial position and activities according to the following specific classes of net assets:

- *Net Assets without Donor Restrictions* - Net assets not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Organization. The Board may designate assets without restrictions for specific operational purposes from time to time.
- *Net Assets with Donor Restrictions* - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. Also, other net assets subject to donor-imposed stipulations should be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all, or part of the income earned on any related investments for general or specific purposes. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restriction.

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Notes to Consolidated Financial Statements

December 31, 2023

Note 2 - Summary of Significant Accounting Policies - Continued

c. Revenue Recognition

The Organization follows the requirements of FASB ASC 958-605 for recording contributions, which are recorded at the time a pledge becomes unconditional in nature. Contributions are recorded in one of the classes of net assets described above, depending on the existence and/or nature of any donor-imposed restriction. When a 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. If donor restricted contributions are satisfied in the same period they are received, they are classified as without donor restrictions.

Contributions may be subject to conditions, which are defined as both a barrier to entitlement and a right of return of payments, or release from obligations, and are recognized as income once the conditions have been substantially met. Contributions expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques. All contributions receivable at December 31, 2023 are expected to be received within one year.

Management assesses outstanding receivables for collectability using specific identification and analyzing historical trends. Based on this review, no allowance for doubtful accounts is deemed warranted.

d. Cash and cash equivalents

All highly liquid investments with a maturity of three months or less are considered to be cash and cash equivalents.

e. Concentration of Credit Risk

Financial instruments, which potentially subject the Organization to a concentration of credit risk consist of cash accounts held with financial institutions that management deems to be creditworthy. At times, balances may exceed federally insured limits. While at year-end there were material uninsured balances, management feels they have little risk and has not experienced any losses due to bank failure.

f. Property and equipment

Property and equipment consist of computers, furniture, and equipment that the Organization retains title to, which benefit future periods. Property and equipment that exceed \$1,000 and that have a useful life of greater than one year are recorded at cost or at fair value on the date of gift, if donated. There were no property and equipment at December 31, 2023.

g. Advertising

Advertising costs are charged to operations when costs are incurred.

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Notes to Consolidated Financial Statements

December 31, 2023

Note 2 - Summary of Significant Accounting Policies - Continued

h. Leases

The Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (“ROU”) assets and lease liabilities in the consolidated statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Organization does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. All leases at December 31, 2023 had a term of 12 months or less.

i. In-kind Contributions

Donated services are recognized in circumstances where those services create or enhance non-financial assets, or require specialized skills, are performed by those who possess those skills, and would typically be purchased if not donated. During the years ended December 31, 2023 and 2022, in-kind marketing services valued at \$108,044 and \$120,409, respectively, were also received and valued at the standard rate charged for those services. The related expenses have been charged to program services in both years.

Board members and other individuals volunteer their time and perform a variety of services that assist the Organization. These services do not meet the above criteria and have not been recorded in the consolidated financial statements.

j. Management Estimates

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

k. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The following cost was allocated based on time and effort:

- Salaries

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Notes to Consolidated Financial Statements

December 31, 2023

Note 2 - Summary of Significant Accounting Policies - Continued

k. Functional Allocation of Expenses - Continued

The following costs are allocated based on the salary allocation:

- Payroll taxes and benefits
- Occupancy
- Office supplies and equipment
- Insurance

All other expenses have been charged directly to the applicable program or supporting services.

l. Accounting for Uncertainty of Income Taxes

The Organization does not believe its consolidated financial statements include any material, uncertain tax positions. Tax filings for periods ending December 31, 2020 and later are subject to examination by applicable taxing authorities.

m. Comparative Financial Information

The 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 accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Note 3 - Grants Payable

The Organization makes awards and grants for education and other projects in the fields of family planning, reproductive health, and women's rights. The minimum amount which the Organization is committed to award is dependent on the Board of Directors' approval. All grants payable at December 31, 2023 and 2022 are due within one year.

Note 4 - Net Assets with Donor Restrictions

The following schedule summarizes net assets with donor restrictions:

	December 31, 2023			
	Balance 1/1/23	Contributions	Released from Restrictions	Balance 12/31/23
Programs:				
Capacity Building	\$ -	\$ 1,150,000	\$ 1,148,573	\$ 1,427
Total	\$ -	\$ 1,150,000	\$ 1,148,573	\$ 1,427

**USA for UNFPA, Inc.
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Notes to Consolidated Financial Statements

December 31, 2023

Note 4 - Net Assets with Donor Restrictions - Continued

	December 31, 2022			
	Balance 1/1/22	Contributions	Released from Restrictions	Balance 12/31/22
Programs:				
Capacity Building	\$ 420	\$ -	\$ (420)	\$ -
Mexico Midwives	287,277	-	(287,277)	-
Argentina Midwives	276,389	-	(276,389)	-
Health teams in Colombia	49,920	-	(49,920)	-
Total	\$ 614,006	\$ -	\$ (614,006)	\$ -

Note 5 - Commitments

The Organization leases office space from UNFPA, a related party, on a quarterly basis. Occupancy expense for the years ended December 31, 2023 and 2022 was \$15,000.

Note 6 - Significant Contributions

During the years ended December 31, 2023 and 2022, approximately 20% and 23%, respectively, of the Organization's revenue (excluding in-kind services) was derived from contributions received from one donor.

Note 7 - Retirement Plan

The Organization sponsors a defined contribution pension plan covering substantially all full-time employees who have completed one year of service. During the year ended December 31, 2021, the Organization added a matching component of employee compensation deferrals which took effect January 1, 2022. Pension expense for the years ended December 31, 2023 and 2022 was \$54,057 and \$33,867, respectively.

Note 8 - Liquidity and Availability of Financial Resources

As part of its liquidity management plan, the Organization structures its financial assets to be available as its general expenditures, grants, liabilities, and other obligations come due. The Organization's outgoing grant payments and other expenses are funded by contributions.

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Notes to Consolidated Financial Statements

December 31, 2023

Note 8 - Liquidity and Availability of Financial Resources - Continued

The following reflects the Organization's December 31, 2023 financial assets available to meet cash needs for general expenditures within one year:

Cash and cash equivalents	\$ 1,409,026	
Contributions receivable due within one year	229,121	
Total financial assets	<u>1,638,147</u>	\$ 1,638,147
Less amounts not available for general expenditures:		
Program restricted contributions		<u>(1,427)</u>
Financial assets available to meet cash needs for general expenditures within one year		<u>\$ 1,636,720</u>

Note 9 - Subsequent Events

Subsequent events have been evaluated through September 5, 2024, the date the consolidated financial statements were available to be issued. There were no material events that have occurred that require adjustment to or disclosure to the consolidated financial statements.