

i-Care Fund America, Inc.
Financial Statements
And
Independent Auditors' Report
Year Ended December 31, 2021

i-Care Fund America, Inc.

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Ingle & Associates LLC
Certified Public Accountants

Independent Auditors' Report

To the Board of Trustees
of i-Care Fund America, Inc.
Boston, MA

Opinion

We have audited the accompanying financial statements of i-Care Fund America, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of i-Care Fund America, Inc., as of December 31, 2021, 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. 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 i-Care Fund America, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about i-Care Fund America, Inc.'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

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always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with 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 i-Care Fund America, Inc.'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 i-Care Fund America, Inc.'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.



Ingle & Associates, LLC
October 12, 2022

i-Care Fund America, Inc.

Statement of Financial Position

December 31, 2021

Assets

Cash	\$	<u>1,163,819</u>
Total Assets	\$	<u><u>1,163,819</u></u>

Liabilities and Net Assets

Accrued expenses	\$	25,351
Grants payable		<u>729,319</u>
Current liabilities		754,670
Net assets without donor restrictions		<u>409,149</u>
Total Liabilities and Net Assets	\$	<u><u>1,163,819</u></u>

See accompanying notes to financial statements.

i-Care Fund America, Inc.

Statement of Activities
Year ended December 31, 2021

Revenues & support:	
Contributions	\$ 5,356,479
Donated services	15,000
Investment income, net of investment expenses	<u>12,660</u>
Total revenues & support	5,384,139
Expenses:	
Program expenses	5,296,491
Support services	101,793
Other expenses, net	<u>22,061</u>
Total expenses	<u>5,420,345</u>
Change in net assets	(36,206)
Net assets - unrestricted, beginning of year	<u>445,355</u>
Net assets - unrestricted, end of year	<u>\$ 409,149</u>

See accompanying notes to financial statements.

i-Care Fund America, Inc.

Statement of Functional Expenses

Year ended December 31, 2021

	<u>Program</u> <u>Expenses</u>	<u>Support</u> <u>Services</u>	<u>Other</u> <u>Expenses</u>	<u>Total</u>
Grants	\$ 5,296,491	\$ -	\$ -	\$ 5,296,491
Professional fees	-	8,100	-	8,100
State filing preparation fees	-	6,600	-	6,600
Custodial fees	-	5,098	-	5,098
State fees	-	3,860	-	3,860
Bookkeeping	-	15,000	-	15,000
Consulting expense	-	63,135	-	63,135
Foreign taxes	-	-	2,632	2,632
Foreign currency translation loss	-	-	19,429	19,429
TOTAL	<u>\$ 5,296,491</u>	<u>\$ 101,793</u>	<u>\$ 22,061</u>	<u>\$ 5,420,345</u>

See accompanying notes to financial statements.

i-Care Fund America, Inc.

Statement of Cash Flows
Year ended December 31, 2021

Cash Flows from Operating Activities:	
Change in net assets	\$ (36,206)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Foreign currency translation loss	16,140
Changes in assets and liabilities:	
Accrued interest receivable	1,346
Accrued expenses	11,342
Grants payable	<u>729,319</u>
Net Cash Used in Operating Activities	721,941
Cash Flows from Investing Activities:	
Proceeds from maturing investments	645,384
Purchase of investments	(440,169)
Additions to investments	<u>(12,626)</u>
Net Cash Used in Investment Activities	<u>192,589</u>
Net Decrease in Cash	914,530
Cash, beginning of year	<u>249,289</u>
Cash, end of year	<u>\$ 1,163,819</u>

See accompanying notes to financial statements.

i-Care Fund America, Inc.

Notes to Financial Statements
Year ended December 31, 2021

A. **Nature of the Organization** -

i-Care Fund America, Inc. is a Massachusetts not-for-profit organization organized on April 22, 2008 and commenced operations in 2009. Its mission is to substantially improve the quality of life of underprivileged Pakistanis, focusing on the areas of education, healthcare, and the promotion of entrepreneurship and/or job creation.

The Organization solicits funds from donors who may or may not advise them on which charitable organization the funds should be channeled to. Donors are offered a trusted, cost-effective, and flexible vehicle for charitable giving as an alternative to direct giving or creating a private foundation. These funds may be held by the Organization for an indefinite period of time. The Organization maintains control over these funds and makes grants at its sole discretion. They monitor and evaluate the performance of the charitable organizations that receive grants and if desired, they respond back to the donor with their observations.

B. **Summary of Significant Accounting Policies** -

Basis of Accounting -

The financial statements of the Organization have been prepared utilizing the accrual basis of accounting.

Basis of Presentation

The financial statements have been prepared in accordance with generally accepted accounting principles, which require the Foundation to report information regarding its financial position and activities according to ASU 2016-14, Presentation of Financial Statements of Not-for-Profit Entities, according to the following net asset classifications:

Net assets without donor restrictions -

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions -

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature: those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

i-Care Fund America, Inc.

Notes to Financial Statements
Year ended December 31, 2021

B. **Summary of Significant Accounting Policies (continued) -**

Cash and Cash Equivalents -

For purposes of the statement of cash flows the Organization considers all short-term debt securities purchased in US dollars with a maturity of three months or less to be cash equivalents. Any short-term debt securities purchased in a foreign currency would have been reflected as investments since they may be sensitive to market fluctuations in the foreign currency exchange rate.

Contributions -

Contributions are recognized when the donor makes an unconditional promise to provide the Organization with funding. The Organization has adopted ASC 958-360 “Accounting for Contributions Received and Contributions Made.” Under this accounting pronouncement, contributions received are recorded either as Net Assets Without Donor Restrictions or Net Assets With Donor Restrictions depending on the existence and/or nature of any donor restrictions.

Income Taxes –

The Organization is exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. The federal and state income tax returns of the Organization are subject to examination by the IRS and state taxing authority, generally for three years after they are filed.

As required under ASC Topic 740, the Organization regularly reviews and evaluates its tax positions taken in previously filed information returns and as reflected in its financial statements, with regard to issues affecting its tax-exempt status, unrelated business income, and related matters. It believes that in the event of an examination by taxing authorities, its positions would prevail based upon the technical merits of such positions.

Functional Expenses –

The Organization allocates direct costs to Program Services on the accompanying Statement of Functional Expenses. Direct costs can be defined as those expenses associated with a specific grant related program or event. This includes but is not limited to grant expense. Direct costs and allocated general expenses of fundraising would be classified as fundraising costs for purposes of the Schedule of Functional Expenses based upon rational allocation of the nature of the expense. For 2021, there were no costs classified as fundraising costs.

Foreign Currency Translation -

The Organization is exposed to foreign currency exchange risk through its holding of investments in foreign treasury bills from time to time. These assets are translated at exchange rates at the balance sheet date. The earnings and expenses associated with these investments are translated using average rates in effect during the year. The resulting foreign currency translation adjustments are recorded as a separate component in the accompanying statement of functional expenses.

i-Care Fund America, Inc.

Notes to Financial Statements
Year ended December 31, 2021

B. Summary of Significant Accounting Policies (continued) -

Donated Goods and Services –

Certain administrative services were provided by outside parties at no cost to the Organization. The officers of the Organization volunteered to provide assistance with overall strategy, overseeing the operations and various administrative and fund-raising activities. Friends of the Organization organized and hosted entertaining events and meetings where donations were collected.

The Organization records the value of donated goods and services when there is an objective basis available to measure their value. Donated services are reflected as contributions and corresponding expense at their estimated fair market value. The estimated fair market value for donated bookkeeping services were estimated at \$15,000 for the year ended December 31, 2021.

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Availability and Liquidity:

The following represents i-Care Fund America, Inc.'s financial assets at December 31, 2021:

Financial assets at year-end:	
Cash and cash equivalents	\$1,163,819
Less amounts not available to be used within one year	-
Financial assets available to meet general expenditures over the next twelve months	<u>\$1,163,819</u>

D. Cash:

Cash includes \$207,339 held in a brokerage account in the Standard Chartered Bank of Pakistan which is used to trade investment activity from time to time such as that noted in footnote F. These funds are not insured by the United States Federal Deposit Insurance Corporation.

E. Concentration of Credit Risk

The Organization maintains its cash balances at a bank where balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per bank. Occasionally, such balances may exceed the FDIC insurance limits. The Organization believes that no significant concentration of credit risk exists with respect to cash and cash equivalents. As of December 31, 2021, the Organization's uninsured cash balances total was \$635,985.

i-Care Fund America, Inc.

Notes to Financial Statements
Year ended December 31, 2021

F. Investment:

During the year ended December 31, 2021, investments of Pakistani treasury bills were held until maturity in Pakistani rupees. The treasury bills had three and six month maturities with varying yields from approximately 5.81% to 6.57%. Earnings from these types of investments are subject to foreign tax at the prevailing rate. These investment funds are not insured by the United States Federal Deposit Insurance Corporation. As of December 31, 2021 there were no investments held.

The Organization is subject to the volatile local economic environment as they purchase investments and they mature, which may give rise to foreign translation gains and losses throughout the year.

G. Grants Payable:

The Organization makes grants to charities in need to promote their mission. As of December 31, 2021, grants payable of \$729,319 represents grants committed to i-Care Foundation in Pakistan. The Foundation had completed the approval process for funding multiple local charities in need.

H. Major Donor:

An organization donated funds amounting to \$1,000,000 for the restricted purpose of donating the funds to the i-Care Foundation in Pakistan to establish an endowment fund for a specific project. This donation amounts to 19% of total revenue & support for the year ending December 31, 2021 for i-Care Fund America, Inc.

I. Related Party Transactions:

During the year ending December 31, 2021, there were grants totaling \$5,296,491 made the i-Care Foundation, a non-profit organization located in Pakistan. From time to time there could be officers for the i-Care Fund America who are also officers for the i-Care Foundation. The CEO of i-Care Fund America, Inc. is also the CEO and ex-officio board member of The i-Care Foundation in Pakistan.

J. Subsequent Events:

The Organization has evaluated all subsequent events through October 12, 2022, the date the financial statements were available to be issued.