

FINANCIAL STATEMENTS

NORWEGIAN REFUGEE COUNCIL USA

**FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2020**

NORWEGIAN REFUGEE COUNCIL USA

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CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Norwegian Refugee Council USA
Washington, D.C.

Opinion

We have audited the accompanying financial statements of the Norwegian Refugee Council USA (NRC USA), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and change in net assets, 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 NRC USA as of December 31, 2021, and the change 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 NRC USA 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 NRC 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.

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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 NRC 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 NRC 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.

Report on Summarized Comparative Information

We have previously audited NRC USA's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 14, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.



July 28, 2022

NORWEGIAN REFUGEE COUNCIL USA
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

ASSETS

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 830,033	\$ 1,303,307
Due from NRC Oslo	581,503	-
Contributions receivable	-	616
Grants receivable	-	250,000
Prepaid expenses	<u>12,579</u>	<u>18,579</u>
Total current assets	<u>1,424,115</u>	<u>1,572,502</u>
OTHER ASSETS		
Security deposits	<u>6,086</u>	<u>6,086</u>
TOTAL ASSETS	<u>\$ 1,430,201</u>	<u>\$ 1,578,588</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 11,807	\$ 2,380
Due to NRC Oslo	<u>-</u>	<u>42,335</u>
Total liabilities	<u>11,807</u>	<u>44,715</u>
NET ASSETS		
With donor restrictions	<u>1,418,394</u>	<u>1,533,873</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,430,201</u>	<u>\$ 1,578,588</u>

NORWEGIAN REFUGEE COUNCIL USA

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020**

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE				
Contributions and grants:				
Norwegian Refugee Council	\$ 954,439	\$ -	\$ 954,439	\$ 809,584
Individuals and foundations	75,979	824,335	900,314	1,364,623
U.S. Government	337,847	-	337,847	314,624
Contributed services	13,235	-	13,235	26,378
Net assets released from donor restrictions	<u>939,814</u>	<u>(939,814)</u>	<u>-</u>	<u>-</u>
Total revenue	<u>2,321,314</u>	<u>(115,479)</u>	<u>2,205,835</u>	<u>2,515,209</u>
EXPENSES				
Program Services:				
Advocacy	181,199	-	181,199	279,611
Program Support and Compliance	218,383	-	218,383	181,062
Access Negotiation	318,508	-	318,508	292,020
Country Based Humanitarian	93,296	-	93,296	508,977
Youth Livelihood and Education	415,142	-	415,142	304,310
COVID-19 Relief	299,890	-	299,890	283,288
Technology and Innovation	92,105	-	92,105	126,004
Other Projects	<u>176,916</u>	<u>-</u>	<u>176,916</u>	<u>58,251</u>
Total program services	<u>1,795,439</u>	<u>-</u>	<u>1,795,439</u>	<u>2,033,523</u>
Supporting Services:				
Board and Committees	19,084	-	19,084	2,115
Fundraising	2,746	-	2,746	1,670
General and Administrative	<u>504,045</u>	<u>-</u>	<u>504,045</u>	<u>425,480</u>
Total supporting services	<u>525,875</u>	<u>-</u>	<u>525,875</u>	<u>429,265</u>
Total expenses	<u>2,321,314</u>	<u>-</u>	<u>2,321,314</u>	<u>2,462,788</u>
Change in net assets	-	(115,479)	(115,479)	52,421
Net assets at beginning of year	<u>-</u>	<u>1,533,873</u>	<u>1,533,873</u>	<u>1,481,452</u>
NET ASSETS AT END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 1,418,394</u></u>	<u><u>\$ 1,418,394</u></u>	<u><u>\$ 1,533,873</u></u>

NORWEGIAN REFUGEE COUNCIL USA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

	2021								
	Program Services								
	Youth							Total	
	Program	Access	Country Based	Livelihood	COVID-19	Technology	Other	Program	
	Advocacy	Support and Compliance	Negotiation	Humanitarian	and Education	Relief	and Innovation	Projects	Services
Salaries, payroll taxes and benefits	\$ 178,032	\$ 218,383	\$ 211,793	\$ -	\$ -	\$ -	\$ -	\$ 139,160	\$ 747,368
Professional fees	-	-	65,640	-	-	-	-	13,441	79,081
Occupancy	-	-	20,555	-	-	-	-	8,800	29,355
Insurance	-	-	-	-	-	-	-	-	-
Telephone and internet	-	-	2,142	-	-	-	-	-	2,142
Travel	-	-	5,056	-	-	-	-	-	5,056
Postage and delivery	-	-	-	-	-	-	-	-	-
Grants to NRC Oslo	-	-	-	93,296	415,142	299,890	92,105	14,381	914,814
Advertising and promotion	-	-	290	-	-	-	-	-	290
Events and meetings	-	-	-	-	-	-	-	-	-
Furniture and equipment	3,167	-	12,897	-	-	-	-	1,081	17,145
Bank and merchant fees	-	-	135	-	-	-	-	-	135
Legal	-	-	-	-	-	-	-	-	-
Other general and administrative expenses	-	-	-	-	-	-	-	53	53
TOTAL	\$ 181,199	\$ 218,383	\$ 318,508	\$ 93,296	\$ 415,142	\$ 299,890	\$ 92,105	\$ 176,916	\$ 1,795,439

See accompanying notes to financial statements.

NORWEGIAN REFUGEE COUNCIL USA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

	2021 (Continued)				2020	
	Supporting Services					
	Board and Committees	Fundraising	General and Administrative	Total Supporting Services	Total Expenses	Total Expenses
Salaries, payroll taxes and benefits	\$ 8,921	\$ 1,990	\$ 325,969	\$ 336,880	\$ 1,084,248	\$ 938,126
Professional fees	2,700	-	63,382	66,082	145,163	84,127
Occupancy	-	-	52,501	52,501	81,856	78,741
Insurance	-	-	4,920	4,920	4,920	2,953
Telephone and internet	-	-	4,211	4,211	6,353	5,930
Travel	-	-	12,136	12,136	17,192	13,947
Postage and delivery	-	-	-	-	-	511
Grants to NRC Oslo	-	-	-	-	914,814	1,226,200
Advertising and promotion	-	-	1,808	1,808	2,098	890
Events and meetings	7,463	-	3,692	11,155	11,155	7,207
Furniture and equipment	-	-	18,382	18,382	35,527	72,817
Bank and merchant fees	-	756	(53)	703	838	391
Legal	-	-	13,235	13,235	13,235	26,378
Other general and administrative expenses	-	-	3,862	3,862	3,915	4,570
TOTAL	\$ 19,084	\$ 2,746	\$ 504,045	\$ 525,875	\$ 2,321,314	\$ 2,462,788

See accompanying notes to financial statements.

NORWEGIAN REFUGEE COUNCIL USA

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (115,479)	\$ 52,421
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
(Increase) decrease in:		
Due from NRC Oslo	(581,503)	64,683
Contributions receivable	616	1,520
Grants receivable	250,000	320,026
Prepaid expenses	6,000	(9,656)
Decrease (increase) in:		
Accounts payable and accrued liabilities	9,427	(5,334)
Due to NRC Oslo	<u>(42,335)</u>	<u>42,335</u>
Net cash (used) provided by operating activities	<u>(473,274)</u>	<u>465,995</u>
Net (decrease) increase in cash and cash equivalents	(473,274)	465,995
Cash and cash equivalents at beginning of year	<u>1,303,307</u>	<u>837,312</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 830,033</u></u>	<u><u>\$ 1,303,307</u></u>

NORWEGIAN REFUGEE COUNCIL USA

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Norwegian Refugee Council USA (NRC USA) is a non-profit organization, which was incorporated under the laws of the District of Columbia during October, 2015 and commenced operations during 2016. NRC USA was established with two primary objectives; raising money for the Norwegian Refugee Council's (Note 2) overseas programs that meet the needs of conflict-affected refugees and internally displaced people, and providing humanitarian policy advice to the administration, congress and peer non-governmental organizations. NRC USA is also a resource to universities, think tanks, and the general public on refugee issues and seeks financial support and partnerships with U.S. based individuals, foundations and corporations.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Assets restricted solely through the actions of the Board are referred to as Board designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are more restrictive than NRC USA's mission and purpose. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with NRC USA's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Cash and cash equivalents -

NRC USA considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, NRC USA maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Receivables -

Receivables approximate fair value. Management considers all amounts to be fully collectible within one year. Accordingly, an allowance for doubtful accounts has not been established.

NORWEGIAN REFUGEE COUNCIL USA

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Income taxes -

NRC USA is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. NRC USA is not a private foundation.

Uncertain tax positions -

For the year ended December 31, 2021, NRC USA has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Revenue recognition -

Contributions and grants -

NRC USA receives contributions and grants from the U.S. Government, organizations and other entities. Contributions and grants are recognized in the appropriate category of net assets in the period received. NRC USA performs an analysis of the individual contributions and grants to determine if the revenue streams follow the contribution rules or if they should be recorded as an exchange transaction depending upon whether the transactions are deemed nonreciprocal or reciprocal under ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*.

For contributions and grants qualifying under the contribution rules, revenue is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Grants qualifying as contributions that are unconditional that have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions; such funds in excess of expenses incurred are shown as net assets with donor restrictions in the accompanying financial statements.

Grants qualifying as conditional contributions contain a right of return and a barrier. Revenue is recognized when the condition or conditions are satisfied. Most grants from the United States Government and other entities are for direct and indirect program costs. These transactions are nonreciprocal and classified as conditional and are recognized as contributions when the revenue becomes unconditional. Typically, these agreements also contain a right of return or right of release from obligation provision and the entity has limited discretion over how funds transferred should be spent.

As such, NRC USA recognizes revenue for these conditional contributions when the related barrier has been overcome (generally, when qualifying expenditures are incurred). Funds received in advance of the incurrence of qualifying expenditures are recorded as refundable advances. For grants treated as contributions, NRC USA had approximately \$1,420,000 in unrecognized conditional awards as of December 31, 2021.

Contributed services -

Contributed services consist of donated legal services which allowed NRC USA to provide additional resources in achieving its mission.

NORWEGIAN REFUGEE COUNCIL USA

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Revenue recognition (continued) -

Contributions and grants (continued) -

Contributed services are recorded at their fair market value as of the date of the gift.

Use of estimates -

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

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

New accounting pronouncements not yet adopted -

ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, improves generally accepted accounting principles (GAAP) by increasing the transparency of contributed nonfinancial assets for not-for-profit (NFP) entities through enhancements to presentation and disclosure. The amendments in this update address certain stakeholders' concerns about the lack of transparency relating to the measurement of contributed nonfinancial assets recognized by NFPs, as well as the amount of those contributions used in a NFP's programs and other activities. The ASU should be applied on a retrospective basis and is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Early adoption is permitted. The amendment will not change the recognition and measurement requirements for those contributed nonfinancial assets.

ASU 2019-01, *Leases* (Topic 842), changes the accounting treatment for operating leases by requiring recognition of a lease asset and lease liability at the present value of the lease payments in the Statement of Financial Position and disclosure of key information about leasing arrangements.

During 2020, the FASB issued ASU 2020-05 which delayed the implementation date by one year. The ASU is effective for non-public entities for fiscal years beginning after December 15, 2021. Early adoption is still permitted. The ASU can be applied at the beginning of the earliest period presented using a modified retrospective approach or applied at the beginning of the period of adoption recognizing a cumulative-effect adjustment.

NRC USA plans to adopt the new ASUs at the required implementation dates and management is currently in the process of evaluating the adoption methods and the impact of the new standards on its accompanying financial statements.

NORWEGIAN REFUGEE COUNCIL USA

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Economic uncertainties -

On March 11, 2020, the World Health Organization declared the Coronavirus disease (COVID-19) a global pandemic. As a result of the spread of COVID-19, economic uncertainties have arisen. The overall potential impact on NRC USA's operations is unknown at this time.

2. AFFILIATION WITH NORWEGIAN REFUGEE COUNCIL (CONCENTRATION OF REVENUE)

As discussed in Note 1, NRC USA is affiliated with the Norwegian Refugee Council (NRC), an international non-governmental organization based in Oslo, Norway. NRC USA is affiliated with NRC through a shared programmatic vision and mission. Funding received by NRC USA for international humanitarian programs is granted to NRC by NRC USA as NRC is the implementing partner for such humanitarian programs.

During the fiscal year ended December 31, 2021, NRC USA granted NRC \$914,814. Also during the fiscal year ended December 31, 2021, NRC made contributions to NRC USA totaling \$954,439. As of December 31, 2021, the net amount due from NRC to NRC USA totaled \$581,503.

3. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2021:

COVID-19 Relief	\$	66,822
Technology and Innovation		957,289
Youth Livelihood and Education		11,602
Country Based Humanitarian		197,727
Program Support and Compliance		175,000
Other programs		<u>9,954</u>

TOTAL NET ASSETS WITH DONOR RESTRICTIONS **\$ 1,418,394**

The following net assets with donor restrictions were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

COVID-19 Relief	\$	299,890
Technology and Innovation		92,105
Youth Livelihood and Education		415,142
Country Based Humanitarian		93,296
Program Support and Compliance		25,000
Other programs		<u>14,381</u>

TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS **\$ 939,814**

NORWEGIAN REFUGEE COUNCIL USA

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

4. LIQUIDITY AND AVAILABILITY

The following reflects NRC USA's financial assets as of the date of the Statement of Financial Position, reduced by amounts not available for general use within one year from the date of the Statement of Financial Position because of contractual or donor imposed restrictions or internal designations. Amounts not available will generally include amounts received with donor restrictions, grants receivable not expected to be collected within one year from the date of the Statement of Financial Position and amounts designated for reserves by the Board of Directors.

An analysis of NRC USA's financial assets available to meet cash needs for general expenditures within one year as of December 31, 2021 is as follows:

Cash and cash equivalents	\$ 830,033
Due from NRC Oslo	<u>581,503</u>
Subtotal financial assets	1,411,536
Less: Donor restricted funds for specific purposes	<u>(1,418,394)</u>
DEFICIENCY OF FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	\$ <u>(6,858)</u>

On occasion, there may be a deficiency of financial assets available to meet cash needs for general expenditures within one year due to the timing of when certain funds are received from donors. Pursuant to an agreement between NRC USA and the Norwegian Refugee Council (NRC), NRC has agreed to help fund the 2022 budgeted expenses of NRC USA with the exception of the programs implemented by NRC USA.

5. LEASE COMMITMENTS

In December 2017, NRC USA entered a three year lease agreement for furnished office space in Washington, D.C. The lease commenced on May 1, 2018. Base rent is \$73,035 per year, increasing by a factor of 4% per year. In August 2020, NRC USA signed a lease extension for a one-year period, expiring April 30, 2022. In November 2021, NRC USA signed an additional lease extension for a one-year period, expiring April 30, 2023.

The following is a schedule of the future minimum lease payments:

<u>Year Ending December 31,</u>	
2022	\$ 83,606
2023	<u>28,208</u>
	\$ <u>111,814</u>

Rent expense incurred under the aforementioned lease is included in occupancy expense in the accompanying Statement of Functional Expenses.

6. RETIREMENT PLAN

NRC USA provides retirement benefits to all employees through a defined contribution plan. Generally, all non-union employees are eligible to participate in the Plan as of their date of hire.

NORWEGIAN REFUGEE COUNCIL USA

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

6. RETIREMENT PLAN (Continued)

NRC USA provides a 100% match of each eligible employee's contribution up to the first three percent (3%) of compensation and 50% of the next two percent (2%) of compensation. All contributions to the Plan are immediately vested. Contributions to the Plan during the year ended December 31, 2021 totaled \$19,594.

7. SUBSEQUENT EVENTS

In preparing these financial statements, NRC USA has evaluated events and transactions for potential recognition or disclosure through July 28, 2022, the date the financial statements were issued.