Financial Statements

Norwegian Refugee Council USA

For the Year Ended December 31, 2025
With Summarized Financial
Information for 2024

Norwegian Refugee Council USA

Table of Contents
For the Year Ended December 31, 2025
With Summarized Financial Information for 2024

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, 2025, 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, 2025, 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 (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 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.

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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 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 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 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 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 2, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Gelman Rosenberg & Freedman

June 16, 2026

Norwegian Refugee Council USA

Statement of Financial Position
As of December 31, 2025
With Summarized Financial Information for 2024

ASSETS

	2025	2024
CURRENT ASSETS		
Cash and cash equivalents	$ 1,859,301	$ 5,124,011
Due from NRC	11,124	-
Prepaid expenses	28,631	25,299
Total current assets	1,899,056	5,149,310
OTHER ASSETS		
Security deposits	11,951	11,951
Operating lease right-of-use asset, net	411,489	528,423
Total other assets	423,440	540,374
Total Assets	$ 2,322,496	$ 5,689,684

LIABILITIES AND NET ASSETS

	2025	2024
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 14,804	$ 8,253
Due to NRC	-	1,065,484
Operating lease liability	125,934	114,243
Total current liabilities	140,738	1,187,980
LONG-TERM LIABILITY		
Operating lease liability, net	344,025	469,959
Total liabilities	484,763	1,657,939
NET ASSETS		
With donor restrictions	1,837,733	4,031,745
Total Liabilities and Net Assets	$ 2,322,496	$ 5,689,684

See accompanying notes to financial statements.

Norwegian Refugee Council USA

Statement of Activities and Change in Net Assets
For the Year Ended December 31, 2025
With Summarized Financial Information for 2024

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Individuals and foundations	$ 114,425	$ 2,433,350	$ 2,547,775	$ 4,038,557
U.S. Government	57,069	-	57,069	344,317
Contributed nonfinancial assets	28,273	-	28,273	100,571
Norwegian Refugee Council	1,677,192	-	1,677,192	2,256,949
Other revenue	47,021	-	47,021	-
Net assets released from donor restrictions	4,627,362	(4,627,362)	-	-
Total support and revenue	6,551,342	(2,194,012)	4,357,330	6,740,394
EXPENSES				
Program Services:				
Advocacy	182,812	-	182,812	205,344
Access Negotiation	59,632	-	59,632	344,318
Program Support and Compliance	887,345	-	887,345	885,792
Humanitarian Access in Hard to Reach Areas	133,544	-	133,544	288,532
Global Protection	-	-	-	69,532
Technology and Innovation	689,846	-	689,846	231,858
Country Based Humanitarian	490,955	-	490,955	1,501,614
Youth Livelihood and Education	2,953,856	-	2,953,856	3,403,920
Education and Psychosocial Support	201,257	-	201,257	-
Other Projects	-	-	-	41,688
Total program services	5,599,247	-	5,599,247	6,972,598
Supporting Services:				
Board and Committees	18,955	-	18,955	19,844
Fundraising	123,919	-	123,919	147,354
General and Administrative	809,221	-	809,221	734,040
Total supporting services	952,095	-	952,095	901,238
Total expenses	6,551,342	-	6,551,342	7,873,836
Change in net assets	-	(2,194,012)	(2,194,012)	(1,133,442)
Net assets at beginning of year	-	4,031,745	4,031,745	5,165,187
Net Assets at End of Year	$ -	$ 1,837,733	$ 1,837,733	$ 4,031,745

See accompanying notes to financial statements.

Norwegian Refugee Council USA

Statement of Functional Expenses
For the Year Ended December 31, 2025
With Summarized Financial Information for 2024

	2025								
	Program Services								
	Advocacy	Access Negotiation	Program Support and Compliance	Humanitarian Access in Hard to Reach Areas	Technology and Innovation	Country Based Humanitarian	Youth Livelihood and Education	Education and Psychosocial Support	Total Program Services
Salaries, payroll taxes, and benefits	$ 178,834	$ 52,335	$ 745,924	$ 118,631	$ -	$ -	$ -	$ -	$ 1,095,724
Professional fees	-	-	61,773	4,797	-	-	-	-	66,570
Occupancy	-	4,238	66,505	2,200	-	-	-	-	72,943
Insurance	-	-	-	-	-	-	-	-	-
Telephone and internet	-	495	2,529	2,978	-	-	-	-	6,002
Travel	3,978	2,564	9,750	4,650	-	-	-	-	20,942
Grants to NRC Oslo	-	-	-	-	689,846	490,955	2,953,856	201,257	4,335,914
Advertising and promotion	-	-	-	-	-	-	-	-	-
Events and meetings	-	-	-	-	-	-	-	-	-
Furniture and equipment	-	-	864	288	-	-	-	-	1,152
Other expenses	-	-	-	-	-	-	-	-	-
Bank and merchant fees	-	-	-	-	-	-	-	-	-
Total	$ 182,812	$ 59,632	$ 887,345	$ 133,544	$ 689,846	$ 490,955	$ 2,953,856	$ 201,257	$ 5,599,247

See accompanying notes to financial statements.

Norwegian Refugee Council USA

Statement of Functional Expenses
For the Year Ended December 31, 2025
With Summarized Financial Information for 2024

	2025 (Continued)					2024
	Supporting Services					
	Board and Committees	Fundraising	General and Administrative	Total Supporting Services	Total Expenses	Total Expenses
Salaries, payroll taxes, and benefits	$ 16,424	$ 105,688	$ 541,246	$ 663,358	$ 1,759,082	$ 2,430,848
Professional fees	-	-	149,878	149,878	216,448	229,267
Occupancy	-	16,285	60,575	76,860	149,803	140,607
Insurance	-	-	8,836	8,836	8,836	22,730
Telephone and internet	-	763	8,352	9,115	15,117	20,073
Travel	-	(216)	8,383	8,167	29,109	77,991
Grants to NRC Oslo	-	-	-	-	4,335,914	4,839,130
Advertising and promotion	-	405	36	441	441	2,356
Events and meetings	2,531	-	5,605	8,136	8,136	22,975
Furniture and equipment	-	288	11,473	11,761	12,913	18,024
Other expenses	-	-	13,730	13,730	13,730	69,215
Bank and merchant fees	-	706	1,107	1,813	1,813	620
Total	$ 18,955	$ 123,919	$ 809,221	$ 952,095	$ 6,551,342	$ 7,873,836

Norwegian Refugee Council USA

Statement of Cash Flows
For the Year Ended December 31, 2025
With Summarized Financial Information for 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (2,194,012)	$ (1,133,442)
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Amortization of operating lease right-of-use asset	116,934	111,802
(Increase) decrease in:		
Due from NRC	(11,124)	1,193,614
Contributions receivable	-	100
Prepaid expenses	(3,332)	(122)
Security deposits	-	6,086
Increase (decrease) in:		
Accounts payable and accrued liabilities	6,551	(7,315)
Due to NRC	(1,065,484)	1,065,484
Operating lease liability	(114,243)	(91,366)
Net cash (used) provided by operating activities	(3,264,710)	1,144,841
Net (decrease) increase in cash and cash equivalents	(3,264,710)	1,144,841
Cash and cash equivalents at beginning of year	5,124,011	3,979,170
Cash and Cash Equivalents at End of Year	$ 1,859,301	$ 5,124,011

See accompanying notes to financial statements.

Notes to Financial Statements
December 31, 2025

1. Summary of Significant Accounting Policies

Organization

Norwegian Refugee Council USA (NRC USA) is a non-profit organization which was incorporated under the laws of the District of Columbia in 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 and technical advice to the Administration, U.S. Congress, and peer non-governmental organizations. NRC USA is also a resource to universities, think tanks, and the public on humanitarian issues and seeks financial support and partnerships with U.S. based individuals, foundations, and corporations.

NRC USA receives funds for the delivery of humanitarian assistance. This assistance includes access to water, the provision of food, livelihood and basic relief items, education, legal aid, and information on access to services and shelter. These specific engagements by the Norwegian Refugee Council seek to save lives, promote dignity, and support access to better living conditions and livelihood opportunities for refugees and internally displaced people. Funds are received from a variety of foundations, corporate and individual donors, as well as the U.S. Government.

NRC USA's advocacy promotes U.S. policies that assist and protect vulnerable populations. The policy work and field expertise of NRC USA and NRC staff have established NRC USA as a trusted resource within the humanitarian community. They serve regularly as panelists at leading institutions and as policy experts, speaking to U.S. policy and its impact on refugees and internally displaced people. NRC USA's advocacy is rooted in the humanitarian principles of humanity, impartiality, neutrality and independence.

NRC USA also houses staff focused on three thematic areas: humanitarian access to and for vulnerable populations in hard-to-reach environments, community-based protection, and cash assistance for refugees and displaced persons.

Basis of Presentation

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to non-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". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.

1. Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that 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, 2024, 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.

Income Taxes

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

Support from Contributions and Grants, Including Federal Awards

NRC USA receives grants and contributions, including Federal awards from the U.S. Government. Contributions are recognized in the appropriate category of net assets in the period received. NRC USA performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

For grants qualifying under the contribution rules, support 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.

1. Summary of Significant Accounting Policies (Continued)

Support from Contributions and Grants, Including Federal Awards (Continued)

Contributions, including grants qualifying as contributions, that are unconditional but 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. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Most Federal grants are for direct and indirect program costs and are considered to be conditional contributions which are recognized as contributions when the amounts become unconditional. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, NRC USA had no refundable advances as of December 31, 2025.

In addition, NRC USA may obtain funding source agreements related to conditional contributions, such as Federal awards from the U.S. Government, which will be received in future years. However, NRC USA had no conditional contributions to be received in future years as of December 31, 2025.

Contributed Nonfinancial Assets

Contributed nonfinancial assets are recorded at their fair value as of the date of the gift and consisted of contributed legal services. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by NRC USA.

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 NRC USA's programs and supporting services 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. Expenses directly attributable to a specific functional area of NRC USA are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort.

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, 2025, NRC USA granted NRC $4,335,914 and NRC made contributions to NRC USA totaling $1,677,192. Also during the fiscal year ended December 31, 2025, NRC USA made a payment to NRC in the amount of $4,000,000 and NRC made a payment to NRC USA totaling $300,000. As of December 31, 2025, the net amount from NRC to NRC USA totaled $11,124. This balance represents an excess of payments made to NRC over program expenses incurred by NRC.

3. Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following as of December 31, 2025:

Subject to Expenditure for Specified Purpose:		
Technology and Innovation	$	957,534
Country Based Humanitarian		639,180
Education and Psychosocial Support		241,019
Total Net Assets with Donor Restrictions	$	1,837,733

The following net assets with donor restrictions were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors during the year ended December 31, 2025:

Purpose Restrictions Accomplished:		
Humanitarian Access in Hard to Reach Areas	$	291,448
Technology and Innovation		689,846
Country Based Humanitarian		490,955
Youth Livelihood and Education		2,953,856
Education and Psychosocial Support		201,257
Total Net Assets Released from Donor Restrictions	$	4,627,362

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.

4. Liquidity and Availability (Continued)

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following as of December 31, 2025:

Cash and cash equivalents	$	1,859,301
Due from NRC		11,124
Less: Donor-restricted funds		(1,837,733)
Financial Assets Available for Use Within One Year	$	32,692

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 NRC, NRC has agreed to help fund the 2026 budgeted expenses of NRC USA with the exception of the programs implemented by NRC USA.

5. Lease Commitments

NRC USA follows FASB ASC 842 for leases. NRC USA has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes. NRC USA has also elected to use a risk-free rate as the lease discount rate for all leases as allowed under FASB ASC 842.

Operating Leases:

On August 22, 2023, NRC USA entered into an office lease agreement for a period of five years and five months that commenced on November 1, 2023 and terminates on March 31, 2029. Base rent is $11,950 per month, plus a proportionate share of expenses, increasing by a factor of 4% per year. NRC USA received rent abatement for the first four months of the lease agreement as well as the first month of the second, third, and fourth lease years.

For the year ended December 31, 2025, total lease cost was $141,374 and total cash paid was $137,708 for the operating lease.

The following is a schedule of the future minimum lease payments due under the operating lease, net of imputed interest, as of December 31, 2025:

Year Ending December 31		
2026	$	144,709
2027		162,925
2028		169,442
2029		29,079
		506,155
Less: Imputed interest		(36,196)
Less: Current portion		(125,934)
Long-Term Portion	$	344,025

6. Contributed Nonfinancial Assets

During the year ended December 31, 2025, NRC USA was the beneficiary of donated legal services which allowed NRC USA to provide greater resources toward various programs. No donor-imposed restrictions were associated with the contributed nonfinancial assets, which are recorded at their estimated fair market value as of the date of the gift, as determined by the service providers. All of the donated legal services were included in Professional fees in the accompanying Statement of Functional Expenses and allocated to General and Administrative under Supporting Services.

7. Retirement Plan

NRC USA provides retirement benefits to all employees through a defined contribution plan (the Plan). Generally, all non-union employees are eligible to participate in the Plan as of their date of hire. 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. Employer contributions to the Plan during the year ended December 31, 2025 totaled $44,918.

8. Contingency

NRC USA receives grants from the U.S. Agency for International Development (USAID). Such grants are subject to audit under the provisions of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).* The ultimate determination of amounts received under the Federal awards is based upon the allowance of costs reported to and accepted by the United States Government as a result of the audits.

Until such audits have been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits. NRC USA's expenditures of Federal awards totaled $57,069 for the year ended December 31, 2025. Therefore, NRC USA did not meet the threshold to require an audit in accordance with Subpart F of the Uniform Guidance.

9. Subsequent Events

In preparing these financial statements, NRC USA has evaluated events and transactions for potential recognition or disclosure through June 16, 2026, the date the financial statements were issued.