

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

ISLAMIC - AMERICAN ZAKAT FOUNDATION

4323 Rosedale Avenue, Bethesda, MD 20814 (301) 907-0997

2024 ANNUAL REPORT

(December 31, 2025 C.E.)

Dear Brothers and Sisters:

This is our annual report for fiscal year that ended on Dec. 31, 2024. We are grateful to Allah, the Exalted, that we continue to survive the peculiar demands and challenges of the aftermath Covid crisis. While funding restraints are limiting the size of grants, the amount people are behind on their rent and utilities continue to soar putting a strain on our case manager and support resources. Especially troubling have been mass evictions of Afghani refugees. Thanks to the generosity of our donors since the pandemic began, *al-hamdulillah*, we were able to meet the challenge. In addition, we continued to spend moneys specifically designated for *da`wa* work for spreading the truth about Islam to Muslims and non-Muslims by various means, including the distribution of Qur'ans.

Disbursements totaling \$174,689 were made to 237 different poor or needy families or individuals for fuel, shelter, clothing, debt reduction, and emergency transportation. This constituted a major (47%) decrease in the grants over the year before as the aftereffects of the pandemic were compounded by increasing operating costs. We distributed aid totaling \$153,957 to benefit 584 people to provide for shelter. In almost all cases these were payments of rent or mortgage to allow them to keep their current homes or security deposit payments to allow them to move into new homes. Seven families were given a total of \$3,361 for transportation needs. We made partial or full payment of utility bills, totaling \$21,198 for thirty-four families to restore service or prevent a cutoff. We assisted those families in making payment arrangements for any balance on their bills. We awarded \$500 for medical expenses to one families. \$1,470 was distributed to 44 poor families on the occasion of the Eid al-fitr so that they could celebrate the holiday feast in a proper fashion despite their poverty status. In addition, we awarded six families \$5,674 for storage and moving costs. In addition, we have helped many families through the efforts of our Case Manager to operate our "Medina program" aimed at assisting chronically needy American Muslims to achieve self-sufficiency.

Our audited financial statements are appended to this report.

As-salaamu `alaikum!



Imad A. Ahmad, Ph.D., President

THANK YOU NOTES

We have received a number of thank you notes, of which this is a selection of excerpts:

- “Thank you all so much for your help with my rental situation. I really appreciate you and your organization for all that you do. May God bless you, the staff and your families always.” — <name withheld>

- “[J]ust the day before yesterday, I secured a part-time job.

- Thank you once again for your vital assistance. I look forward to the day when I can help others as you have helped me.” — <name withheld>

- “I am deeply grateful for the financial support awarded to me in a time of immediate need. The Islamic-American Zakat Foundation was thorough and expedient in addressing my situation and the hands-on guidance of budget planning helped me feel empowered for the future. May the Almighty continue to Bless you as you Bless others.” — <name withheld>

- “Words cannot express how thankful and grateful I am. Thank you to you and the IAZ Foundation for the assistance that you have given me and my family. This proves that there is humanity (Ubuntu) and that we can care for each other. I will keep you updated on my further progress and the Medina Plan to sustain myself going forward.” — <name withheld>

- “Thank you so much for the contribution to my BG&E bill. This is such a great help, I am forever grateful to you and this Organization. May Allah bless all of you and your families.” — <name withheld>

- “I just want to thank everyone at i.a.z.f. especially Yusef Amin for his sincere assistance. I received the \$500 for my Pepco bill. I am grateful and thankful for the assistance that this organization has provided for me. I am all caught up with my Pepco bill. And that has put me in a good place. Thank you all for everything you have done for me.” — <name withheld>

- “May Allah Reward ... you all for your time and devotion to the needs of families. Ameen.” — <name withheld>

- “I am writing to express my deepest gratitude to you and the Islamic-American Zakat Foundation for the generous financial support you provided to my family and me. Your assistance of \$1,200 towards my rent has made a significant difference in my life, and I cannot thank you enough for your kindness.” — <name withheld>

- “I just wanted to thank you for all the time and effort you put into helping us. We are very grateful and wish you and the foundation much success in all your endeavors!” — <name withheld>

- “This is to confirm receipt of the grant towards my rent.... I am forever appreciative of this assistance. It means more to me than you will ever know.” — <name withheld>

- “I have received your checks for my car repair and my Eid gift for food. Thank you so very much for your support and your kindness! I pray that the Almighty Allah continues to bless your Foundation and may you continue to grow and be able to continue helping needy families. I feel blessed to receive your help and pray Allah to help me get out of my situation and give me the chance to one day make donations to your Foundation in order to help others in need, inshah’Allah! Again thank you so much for lifting me up and giving me hope to keep my job because without a car I would not be able to go to work and take care of my children.” — <name withheld>

- “I am very grateful for all the help.... I hope Allah blesses you.” — <name withheld>

HISTORY AND MISSION OF THE ISLAMIC-AMERICAN ZAKAT FOUNDATION

The Islamic-American Zakat Foundation was founded in 1987 to provide help to Muslims in America in fulfilling their obligations to purify their wealth by helping the poor and needy and others in special circumstances. The Muslims are a single community and we are all brothers and sisters of perfect equality before God (Allah) except as our piety distinguishes one from another.

The Islamic-American Zakat Foundation has helped hundreds of poor and needy Muslims from coast to coast in times of difficulty.

We were the first Islamic charity to be accepted into the Combined Federal Campaign.

We were the first Islamic charity affiliated with Local Independent Charities of America.

We cooperate with other Islamic organizations like FAITH Social Services and various mosques to maximize effectiveness.

We send money abroad through other 501(c)(3) organizations for emergency disaster relief.

Our MEDINA program provides counseling and referral services to help applicants to achieve self-sufficiency. Through these efforts some of our zakat recipients have been turned into zakat donors.

Our da'wa program provides Qur'ans to prisoners and hospital patients and promotes a better understanding of Islam.

And we do it without one cent of government money--ANY GOVERNMENT. We are completely independent so we can work with the entire Muslim community.

We do it with donations from people like you. Small donations and large donations. From Muslims who care about Muslims. From Muslims who seek to please Allah. We are told by contributors who give through their workplace campaigns that some of their non-Muslim coworkers donate to us through their workplace campaigns in order to entrust their charitable donations to a reliable institution.

The Zakat Foundation helps to assess and distribute zakat and sadaqa. We document the worthiness of recipients and distribute donations directly to the poor and needy or use the money towards paying their debts for fuel and housing, etc. Funds received in the past year have gone to feed the poor and homeless in the mid-Atlantic region, and elsewhere in America, to help to feed and clothe Palestinian children, to help orphans, to prevent unemployed families from losing their homes, and to relieve the difficulties of stranded travelers. We work cooperatively with mosques and with other agencies helping the poor and needy.

DIRECTORS AND CHIEF ADMINISTRATIVE PERSONNEL

Directors as of the end of 2024:

Imad A. Ahmad, Ph.D., President
Bethesda, MD 20814

Omar Atia, Secretary
McLean, VA 22101

Cecilia Ruff, Treasurer
Leesburg, VA 20176

Yusuf Saleem
Temple Hills, MD 20748

Ramy Osman
Alexandria, VA 22315

Administrative Services are provided by:

Imad-ad-Dean, Inc.*
4323 Rosedale Avenue
Bethesda, MD 20814

*Disclosure: Imad A. Ahmad, Ph.D. is President of Imad-ad-Dean, Inc. and owned 100% of the stock of the company throughout the period covered by this annual report.

**ISLAMIC AMERICAN ZAKAT FOUNDATION
(NOT-FOR-PROFIT ORGANIZATION)**

FINANCIAL STATEMENTS

**FOR THE TWELVE MONTHS ENDED
DECEMBER 31, 2024**

**TOGETHER WITH
INDEPENDENT ACCOUNTANT AUDIT REPORT**

Nov 17, 2025

Haroon Imtiaz, CPA

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haroon imtiaz cpa

INDEPENDENT ACCOUNTANTS' AUDIT REPORT

To the Board of ISLAMIC AMERICAN ZAKAT FOUNDATION:

Opinion

We have audited the financial statements of Islamic American Zakat Foundation (a nonprofit organization), which comprise Statement of Financial Position as of DECEMBER 31, 2024, and the related Statement of Activities, Statement of Functional Expenses and Statements of Cash Flows for the year ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Islamic American Zakat Foundation (a nonprofit organization) as of DECEMBER 31, 2024, and the results of its operations and its cash flows for the twelve then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Islamic American Zakat Foundation (a nonprofit organization) and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 Islamic American Zakat Foundation (a nonprofit organization)'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.



haroon imtiaz cpa

- 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 Islamic American Zakat Foundation (a nonprofit 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 Islamic American Zakat Foundation (a nonprofit 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.

Haroon Imtiaz, CPA

Haroon Imtiaz, CPA

San Jose, CA

Dated: Nov 17, 2025

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Statement of Financial Position
As of DECEMBER 31, 2024

ASSETS:

Current Assets

Cash and Cash Equivalents	\$ 65,121
Pledges Receivable, net	93,436
Inventory	1,605
Prepaid Expenses	666
Investment	27,219
Total Current Assets	188,047

Other Assets

3,855

Total Assets

191,912

LIABILITIES AND NET ASSETS:

LIABILITIES:

Current Liabilities

Accounts Payable	\$ 15,216
Other Current Liabilities	4,051
Total Current Liabilities	19,267

Long-term Liabilities

-

Total Liabilities

19,267

NET ASSETS:

Without Donor Restrictions	35,108
With Donor Restrictions	158,162
Total Net Assets	172,645

Total Liabilities and Net Assets

\$ 191,912

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Statement of Activities
For the Year Ended DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support & Revenues			
Contributions and fundraising	\$ 212,742	\$ 156,902	\$ 369,644
Foundation and Government Grants	-	-	-
Program service revenue	-	-	-
Investment Income	203	-	203
Unrealized gain on Investment	4,941	-	4,941
Other Income	72	-	290
Net assets released from restrictions	158,162	(158,162)	-
Total Support & Revenues	376,120	(1,260)	374,860
Expenses			
Program Services	(353,687)	-	(353,687)
Management and general	(36,153)	-	(36,153)
Fundraising	(5,796)	-	(5,796)
Total Expenses	(395,484)	-	(395,484)
Change in net assets	(19,364)	(1,260)	(20,623)
Net assets, beginning of year	35,108	158,162	193,268
Net assets, end of year	\$ 15,744	\$ 156,902	\$ 172,645

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Statement of Functional Expenses
For the Year Ended DECEMBER 31, 2024

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Grants and Assistance	\$ 335,622	\$ -	\$ -	\$ 335,774
Professional fees	-	18,000	3,962	21,962
Legal & Accounting services	-	13,221	-	13,221
Occupancy Expense	12,332	-	-	12,332
Bank fees	-	3,001	-	3,001
Telephone	2,042	50	285	2,377
Advertising	-	-	541	541
Shipping and postage	723	2	538	1,263
Printing and photocopying	1,498	115	470	2,083
Organizational expenses	-	400	-	400
Equipment rental	420	420	-	840
supplies	713	-	-	713
Insurance	-	268	-	268
Travel and entertainment	185	-	-	185
Other expenses	-	676	-	676
Total Functional Expenses	\$ 353,535	\$ 36,153	\$ 5,796	\$ 395,484

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Statements of Cash Flows
For the Year Ended DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$	(20,623)
Adjustments to reconcile Change in Net Assets to Net cash Provided By (Used For) operating activities:		
Change in Operating Assets and liabilities:		
Increase in Pledges Receivable		(403)
Decrease in Inventory		258
Increase in Prepaid Expenses		(102)
Increase in Accounts Payable		211
Increase in other current liabilities		3,320
Total adjustments		3,284
Net cash provided (used) by operating activities		(17,339)

CASH FLOWS FROM INVESTING ACTIVITIES

Sale of Investments		14,855
Net cash provided (used) by investing activities		14,855

CASH FLOWS FROM FINANCING ACTIVITIES

Net cash provided (used) by financing activities		-
Net increase (decrease) in cash and equivalent		(2,484)

CASH AND CASH EQUIVALENTS: Beginning of year		67,605
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CASH AND CASH EQUIVALENTS: End of year	\$	65,121
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ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Notes to Financial Statements
For the Year Ended DECEMBER 31, 2024

NOTE 1. GENERAL

The Islamic-American Zakat Foundation (the “Foundation”) is an exempt organization under the Internal Revenue Code Section 501(c) (3). The Foundation was established on November 12, 1986 with a mission to provide food, shelter, clothing, and transportation assistance for the poor and needy, orphans, wayfarers, and other persons needing and deserving of charity under Islamic law. The Foundation collects and distributes obligatory and voluntary charity called zakat and sadaqa, donated by mostly Muslims throughout the country. The Foundation’s primary objective is to serve poor and needy Muslims in the United States, eligible non-Muslims around the country are also helped, while some aid might be sent abroad to help poor and/or needy orphans and other children.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of organization is presented to assist in understanding the financial statements. The financial statements and notes are representations of the organization’s management, which is responsible for their integrity and objectivity.

Basis of Accounting

The financial statements of the Company are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned and expenses are recorded when incurred.

Basis of Presentation

The financial statements are presented are in accordance with FASB Accounting Standard Codification (FASB ASC) 958, Not-for-Profit Entities. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Cash and cash equivalents

For purpose of the statement of cash flows, the Company considers all money market funds purchased with a maturity of three months or less when purchased to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Notes to Financial Statements
For the Year Ended DECEMBER 31, 2024

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates (Continued)

accepted in the United States of America 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 financial statements and the reported amounts of revenues and disbursements during the reporting period. Actual results could differ from those estimates.

Liabilities

Islamic American Zakat Foundation (a nonprofit organization) maintains no current liabilities with accounts payable carrying month to month. Further, The organization maintains no Long term liabilities on its assets.

Investments

Investments with readily determinable fair values are reported at fair value based upon quoted market prices or published net asset values for alternative investments with characteristics similar to a mutual fund. Other alternative investments (nontraditional, not readily marketable vehicles), such as certain hedge funds, private equity, alternative hedged strategies and real assets are reported at net asset value, as a practical expedient for estimated fair value, as provided by the investment managers of the respective funds. The reported values may differ from the values that would have been reported had a ready market for these investments existed. All other investments are stated at fair value based upon quoted market prices in active markets.

Fair Value Measurements

The Islamic American Zakat Foundation (a nonprofit organization) determines the fair market value of its financial assets and liabilities based on the fair value hierarchy established in accordance with U.S. generally accepted accounting principles.

Income Taxes

The ISLAMIC AMERICAN ZAKAT FOUNDATION is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the organization has been classified that is not a private foundation under Section 590(a)(1). Income that is not related to exempt purposes, less applicable deductions, is subject to Federal and state corporate income taxes and did not have any unrelated business income for the years ended DEC 31, 2024.

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Notes to Financial Statements
For the Year Ended DECEMBER 31, 2024

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Uncertain Tax Provisions

Accounting for uncertain income tax positions, relating to both federal and state income taxes, are required when a more likely than not threshold is attained. If such positions result in uncertainties, then the unrecognized tax liability is estimated based on a cumulative probability assessment that aggregates the estimated tax liability for all uncertain tax positions. With the adoption of these new rules, the Organization assessed its tax positions in accordance with the guidance. The Organization has determined that its tax status as non-profit corporation is its only tax position and is highly certain. Therefore, these new rules had no impact on the Organization's financial statements.

Revenue Recognition

All revenues are recorded in accordance with ASC 606, Revenue from Contracts with Customers, which is recognized when: (i) a contract with a customer has been identified, (ii) the performance obligation(s) in the contract have been identified, (iii) the transaction price has been determined, (iv) the transaction price has been allocated to each performance obligation in the contract, and (v) the Organization has satisfied the applicable performance obligation over time or at a point in time.

Contributions

The Islamic American Zakat Foundation (a nonprofit organization) receives contributions and are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose restriction. Contributed property and equipment are recorded at fair value at the date of donation.

Grants and Contract Awards

The Organization receives grants and contracts from governmental agencies and private grantors for various purposes. Grants and contract awards not yet received are accrued to the extent that unreimbursed expenses have been incurred for the purposes specified by an approved grant or contract. The Organization defers grants and contract revenues received under approved awards from grantors to the extent they exceed expenses incurred for the purposes specified under the grant restrictions.

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Notes to Financial Statements
For the Year Ended DECEMBER 31, 2024

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts and Grants Receivable

Receivables consist of billings on grant and contract receivables. The Organization performs periodic evaluations of the collectability of its receivables and does not require collateral on its accounts receivable. Losses on uncollectible receivables are provided for in the financial statements based on management's expectations. At DECEMBER 31, 2024, the Organization did not record an allowance for doubtful accounts.

Promises to Give

Unconditional promises to give are recognized as revenue or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. All promises to give are due in less than one year

Donated Services

Where donated services meet the criteria for recognition, they are reflected in the financial statements. Approximately 0 hours of services were provided by an individual during 2024.

Property, Plant and Equipment

Property, plant and equipment are stated at cost, if purchased or fair value on date of contribution. Depreciation and amortization are computed on a straight-line basis over the estimated useful life of the asset. Capitalization costs incurred in connection with ongoing capital projects are recorded as systems and construction in progress. These costs will be reclassified into categories and depreciated once placed in service. Expenditures for normal maintenance and repairs are charged to expense.

The estimated useful lives by asset class are as follows:

	<u>Years</u>
Buildings	25-50
Buildings improvements	10
Vehicles	5
Furniture and office equipment	5
Software and computer equipment	3-5

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Notes to Financial Statements
For the Year Ended DECEMBER 31, 2024

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

The cost of program and supporting services has been summarized on a functional basis in the statements of activities. The statements of functional expenses present the nature classification detail of expenses by function. Expenses that are identified with a specific program or support service are charged directly to the appropriate function. Other shared costs have been allocated among the programs and supporting services benefited based on management's estimate of the relative effort expended for the related functions.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions.

Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. 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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a 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. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

There were no donor-imposed restrictions of any nature as of DECEMBER 31, 2024.

Note 3. SICK LEAVE, VACATION AND OTHER COMPENSATED ABSENCES

The Islamic American Zakat Foundation (a nonprofit organization) is in conformity with the state and federal Labor Laws and Regulations, OSHA Safety and Health Protection, State Minimum Wage, Family Care and Medical Leave and Pregnancy Disability Leave, and Prohibits Workplace Discrimination.

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Notes to Financial Statements
For the Year Ended DECEMBER 31, 2024

Note 4. FAIR VALUE MEASUREMENT

The Organization values its investments in accordance with GAAP and consistent with the FASB’s official pronouncement on Fair Value Measurements for financial assets and liabilities. The pronouncement defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Observable inputs reflect market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the entities own assumptions about how market participants would value an asset or liability based on the best information available. Valuation techniques used to measure fair value utilize relevant observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy are as follows:

Level 1 Inputs are quoted prices or published net asset values (unadjusted), in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 Inputs are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 Inputs are unobservable inputs for the asset or liability.

A financial instrument’s categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. In determining fair value, organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible; as well as, considers nonperformance risk in its assessment of fair value.

Fair values of assets measured on a recurring basis at DECEMBER 31, 2024 are as follows:

	FMV	Quoted Prices in Active Markets for identical Assets (Level 1)	Observables Inputs (Level 2)	Unobservable Inputs (Level 3)
Equity mutual funds	\$ 27,219	27,219	-	-
Cash	\$ 65,121	65,121	-	-

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Notes to Financial Statements
For the Year Ended DECEMBER 31, 2024

Note 4. FAIR VALUE MEASUREMENT(Continued)

Mutual funds are valued at the net asset value (NAV) of shares held at the end of the year. The Organization believes bonds, bond funds, and equity mutual funds exist in markets where transactions occur with sufficient frequency and volume to provide pricing on an ongoing basis (Level 1). This method may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values; however, the Organization believes its valuation methods are appropriate and consistent.

Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of uncertainty related to changes in interest rates, market volatility, and available credit, it is at least reasonably possible that such changes could materially affect the fair value of investments reported in the statement of financial position as of DECEMBER 31, 2024. The Organization believes the diversification of invested assets among various asset classes should mitigate the impact of any significant change on any one asset class.

Cost, market value, and cumulative net unrealized gains and losses on investments as of the year ending DECEMBER 31, 2024 is summarized as follows:

	Cost	Market Value	Unrealized Gain (Loss)
Equity mutual funds	\$ 42,074	\$ 27,219	\$ (14,855)
	\$ 42,074	\$ 27,219	\$ (14,855)

NOTE 5. CONCENTRATIONS OF CREDIT AND MARKET RISK

The Islamic American Zakat Foundation (a nonprofit organization) maintains substantially all of their cash balances in deposit accounts that at times may exceed Federally insured limits. The Islamic American Zakat Foundation (a nonprofit organization) has not experienced any losses in such accounts. Islamic American Zakat Foundation (a nonprofit organization) believes they are not exposed to any significant credit risk related to these deposit accounts.

Financial instruments that potentially expose the Company to concentrations of credit and market risk consist primarily of cash and cash equivalents. Cash and cash equivalents are maintained at financial institutions and accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At DECEMBER 31, 2024, The Islamic American Zakat Foundation (a nonprofit organization) had \$0; of uninsured balances at these institutions.

ISLAMIC AMERICAN ZAKAT FOUNDATION
NOT-FOR-PROFIT ORGANIZATION
Notes to Financial Statements
For the Year Ended DECEMBER 31, 2024

Note 6. CASH AND CASH EQUIVALENTS

Cash & cash equivalents at we have months ended consist of the following checking accounts:

	<u>DECEMBER 31, 2024</u>	
Cash	\$	65,121
Total	\$	65,121

NOTE 7. LITIGATION, COMMITMENTS AND CONTINGENCIES

From time to time Islamic American Zakat Foundation (a nonprofit organization) may be subject to legal proceedings and claims in the ordinary course of its business. However, in the opinion of management, there are no claims, pending or asserted, that will have a material adverse effect on financial position of Islamic American Zakat Foundation (a nonprofit organization)

NOTE 8. SUBSEQUENT EVENTS

Management of Islamic American Zakat Foundation (a nonprofit organization) has evaluated subsequent events through Nov 17, 2025, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements of organization.