

Interfaith Community for Detained Immigrants



Financial Statements

For the Year Ended
June 30, 2022



Interfaith Community for Detained Immigrants

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Illinois NFP Audit & Tax, LLP
Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
Interfaith Community for Detained Immigrants
Chicago, Illinois

Opinion on the Financial Statements

We have audited the accompanying financial statements of Interfaith Community for Detained Immigrants, which comprise the statement of financial position as of June 30, 2022, 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 Interfaith Community for Detained Immigrants as of June 30, 2022, 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 on the Financial Statements

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 Interfaith Community for Detained Immigrants 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 Interfaith Community for Detained Immigrants'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. 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 Interfaith Community for Detained Immigrants'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, the Interfaith Community for Detained Immigrants'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.

IL NFP Audit & Tax, LLP

Chicago, Illinois

February 6, 2023

Interfaith Community for Detained Immigrants
Statement of Financial Position
June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Assets			
Current Assets			
Cash	\$ 127,045	\$ 62,500	\$ 189,545
Accounts Receivable	33,363	0	33,363
Prepaid Expenses	2,000	0	2,000
Total Current Assets	162,408	62,500	224,908
Fixed Assets			
Leasehold Improvements	55,874	0	55,874
Equipment	16,036	0	16,036
Total Fixed Assets Cost	71,910	0	71,910
Less – Accumulated Depreciation and Amortization	29,788	0	29,788
Total Fixed Assets	42,122	0	42,122
Total Assets	\$ 204,530	\$ 62,500	\$ 267,030
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable	\$ 30,205	\$ 0	\$ 30,205
Total Current Liabilities	30,205	0	30,205
Total Liabilities	30,205	0	30,205
Total Net Assets	174,325	62,500	236,825
Total Liabilities and Net Assets	\$ 204,530	\$ 62,500	\$ 267,030

Interfaith Community for Detained Immigrants
Statement of Activities
For the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support and Gains			
Grants and Contributions	\$ 805,211	\$ 62,500	\$ 867,711
Program Fees	76,974	0	76,974
Interest Income	88	0	88
Net Assets Released from Restrictions:			
Satisfaction of Program Restriction	0	0	0
Expiration of Time Restrictions	37,500	(37,500)	0
Total Revenue, Support and Gains	919,773	25,000	944,773
Functional Expenses			
Program Services	725,371	0	725,371
Management and General	139,947	0	139,947
Fundraising	52,515	0	52,515
Total Functional Expenses	917,833	0	917,833
Change in Net Assets	1,940	25,000	26,940
Net Assets,			
Beginning of Year	172,385	37,500	209,885
End of Year	\$ 174,325	\$ 62,500	\$ 236,825

Interfaith Community for Detained Immigrants
Statement of Functional Expenses
For the Year Ended June 30, 2022

	Program Services	Management and General	Fundraising	Total
Functional Expenses				
Personnel				
Salaries and Wages	\$ 441,006	\$ 51,883	\$ 25,942	\$ 518,831
Payroll Taxes	46,307	5,448	2,724	54,479
Total Personnel	<u>487,313</u>	<u>57,331</u>	<u>28,666</u>	<u>573,310</u>
Assistance to Others	99,970	0	0	99,970
Bank Fees	0	3,022	0	3,022
Depreciation	1,955	231	115	2,301
Dues and Subscriptions	0	3,312	0	3,312
Hotline	2,282	0	0	2,282
Insurance	23,228	2,733	1,366	27,327
Interest Expense	0	2,698	0	2,698
Licenses and Fees	0	270	0	270
Meetings and Conferences	0	294	0	294
Miscellaneous	0	100	0	100
Occupancy	16,304	182	91	16,577
Office	0	10,669	0	10,669
Postage	0	2,709	0	2,709
Printing	70	4,548	0	4,618
Professional Fees	0	44,290	2,540	46,830
Staff Development	0	1,269	0	1,269
Supplies and Materials	68,406	1,293	19,737	89,436
Telephone	9,990	4,996	0	14,986
Travel	15,853	0	0	15,853
Total Functional Expenses	<u><u>\$ 725,371</u></u>	<u><u>\$ 139,947</u></u>	<u><u>\$ 52,515</u></u>	<u><u>\$ 917,833</u></u>

Interfaith Community for Detained Immigrants
Statement of Cash Flows
For the Year Ended June 30, 2022

Cash Flows from Operating Activities

Received from Supporters and Other Sources	\$ 911,322
Interest Received	88
Paid to Vendors and Employees	(890,167)
Interest Paid	(2,698)
Income Taxes Paid	0
	18,545

Net Cash Provided by Operating Activities

18,545

Cash Flows from Investing Activities

Cash Payments for the Purchase of Fixed Assets	(3,000)
	(3,000)

Net Cash Used in Investing Activities

(3,000)

Cash Flows from Financing Activities

Principal Payments on Note Payable	(83,654)
	(83,654)

Net Cash Used in Financing Activities

(83,654)

Net Decrease in Cash

(68,109)

Cash

Beginning of Year	257,654
	257,654

End of Year	\$ 189,545
	189,545

Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities

Change in Net Assets	\$ 26,940
	26,940

Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:

Depreciation and Amortization	2,301
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Changes in Certain Assets and Liabilities:

Accounts Receivable	(33,363)
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Prepaid Expenses	(2,000)
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Accounts Payable	24,667
	24,667

Total Adjustments	(8,395)
	(8,395)

Net Cash Provided by Operating Activities

\$ 18,545

Interfaith Community for Detained Immigrants
Notes to the Financial Statements
For the Year Ended June 30, 2022

Note 1 - Principal Activity and Significant Accounting Policies

Organization and Nature of Activities

Interfaith Community for Detained Immigrants (the “Organization”) is a not-for-profit corporation incorporated in 2012. The Organization is a faith-based organization of staff and volunteers called to respond actively and publicly to the suffering of all individuals and communities affected by immigration detention, deportation, and post-detention through pastoral care, advocacy, public witness and other activities.

The Organization is a prophetic voice for just and humane treatment of immigrants caught in the immigration detention process. The Organization upholds the dignity and basic human rights of each individual as it stands in solidarity with its immigrant sisters and brothers as a powerful collective voice to minimize the use of detention and to seek justice. The Organization believes that everyone, regardless of national origin, has basic human rights, including livelihood, family unity, and physical and emotional safety. The Organization also seeks to provide national leadership and models for detention work and general interfaith collaboration. The Organization provides the following programs to help achieve its mission:

Deportation Accompaniment - The Organization provides Prayer Vigil at Broadview, Prayer on the Buses and Pastoral Care to support deportation victims.

Prayer Vigil at Broadview - Comprises of people of faith joining together in a prayer vigil every Friday morning at 7:15 AM, at Broadview Immigration Processing Center, to provide public witness to the injustices of the U.S. immigration system. An interfaith prayer service is held on the first Friday of every month. The Rosary is prayed on the remaining Fridays.

Prayer on the Buses - Each Friday morning, buses filled with men and women shackled by their hands, feet, and waists leave for local airports to be deported. Clergy, lay leaders and people of faith offer prayers on the buses to accompany them in their difficult journey and to let them know that people of faith stand with them and are working to change these unjust policies.

Pastoral Care - Volunteers support families as they come to say goodbye to their loved ones.

Interfaith Community for Detained Immigrants
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 - Principal Activity and Significant Accounting Policies (Continued)

Organization and Nature of Activities (Continued)

Court Watch - Students, religious leaders, and people of faith serve as a presence in the Immigration Court to let those involved in the court system know that people are watching and care about what happens to their immigrant sisters and brothers. It is the Organization's goal that through monitoring and documenting the Organization can bring transparency to this broken system and support the urgent need for more just immigration policies. Court Watch is also a ministry of presence. People in detention are not physically present in court. They hear the proceeding and communicate with the judge via video camera. They are comforted knowing that there are Court Watch volunteers present. Court Watch volunteers are present at hearings morning and afternoon, Monday through Thursday.

Jail Visitation Ministry - Since Illinois' Access to Religious Ministry Act became law in 2008, volunteers have been providing pastoral care to people in detention. Teams of volunteers visit people weekly in immigrant detention at four different locations. Annually the Organization's volunteers visit over 1,200 detained immigrants. Weekly the Organization places \$10 into commissary accounts of individuals as their accounts become depleted. People in detention use this money for basic daily needs. The cost of this program for both jails can be over \$1,000 a week. Visits occur during daytime hours on specific days in McHenry County Jail, Kenosha County Detention Center, Dodge County Detention Center, and Jerome Combs Detention Center (in Kankakee).

Post-Detention - The Organization offers a hotline and hospitality services for individuals released from detention.

Hotline - For people released from ICE custody, the Organization has a hotline they can call for assistance. Volunteers respond to hotline calls and provide weather appropriate clothing and shoes, meals, short-term stays, bus tickets, a backpack with essential items, and other needs. The Organization helps people get back to family or friends who are often in other states.

Interfaith Community for Detained Immigrants
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 - Principal Activity and Significant Accounting Policies (Continued)

Organization and Nature of Activities (Continued)

Hospitality - For people who have nowhere to live upon release, the Organization provides transitional shelter while they wait for future court dates or work permits. The Marie Joseph House of Hospitality provides food and shelter for men, women, and families with children. A case manager connects people to educational, ESL, religious, health, and legal services. Living in a supportive and caring environment helps people heal and adjust to life in the United States. This trauma-informed care model is what the Organization believes people entering the U.S. and seeking asylum should receive.

Unaccompanied Children - The Organization provide pastoral care to migrant children from around the world. The Organization accompanies children who are diverse in almost every way imaginable, representing different countries, language groups, religions, socio-economic backgrounds, and ages. The Organization facilitates a connection with the sacred during a very critical period in their life journeys.

Basis of Accounting

The Organization's accounts are maintained on the accrual basis of accounting. 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 (or certain grantor) restrictions. The governing board has not designated any amounts from net assets without donor restrictions as of June 30, 2022.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed or certain grantor-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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. 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.

Interfaith Community for Detained Immigrants
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 - Principal Activity and Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The Organization considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Receivables and Allowance for Doubtful Accounts

The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. The Organization determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible.

Fixed Assets

The Organization records fixed asset additions over \$500 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 5 to 7 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently. For the year ended June 30, 2022, depreciation expense amounts to \$269, and amortization expense amounts to \$2,032.

Interfaith Community for Detained Immigrants
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 - Principal Activity and Significant Accounting Policies (Continued)

Fixed Assets (Continued)

The Organization reviews the carrying values of fixed assets for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2022.

Deferred Revenue

Exchange transactions in which a reciprocal transfer of assets occurs are recorded as deferred revenue if said transactions are unfulfilled as of year-end. The Organization has no deferred revenue as of June 30, 2022.

Revenue Recognition - Grants and Contributions

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Conditional promises to give are not recognized until they become unconditional. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-imposed contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment are reported as net assets with donor restrictions until the specified asset is placed in service by the Organization when the restrictions are released.

Revenue Recognition - Program Services

Program services revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for said services. The Organization typically bills for services prior to the delivery of services. Revenue is recognized as the underlying performance obligations are satisfied.

Interfaith Community for Detained Immigrants
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 - Principal Activity and Significant Accounting Policies (Continued)

Revenue Recognition - Program Services (Continued)

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges.

Revenue Recognition - Disaggregation of Revenue

The following table disaggregates the Organization's revenue from contracts with customers based on the timing of satisfaction of performance obligations for the year ended June 30, 2022:

Revenue Recognized over Time	\$ 0
Revenue Recognized at a Point in Time	\$ 76,974

Income Taxes

The Organization is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code, therefore, the financial statements do not include a provision for income taxes. The Organization reviews income tax positions taken or expected to be taken in income tax returns to determine if there are any income tax uncertainties. This includes positions that the entity is exempt from income taxes or not subject to income taxes on unrelated business income. The Organization recognizes tax benefits from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by taxing authorities, based on the technical merits of the positions. The Organization has identified no significant income tax uncertainties. The Organization files information returns as a tax-exempt organization. Should that status be challenged in the future, all years since inception could be subject to review by the IRS.

Functional Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The Organization allocates functional expenses mainly on the basis of estimates of time and effort.

Interfaith Community for Detained Immigrants
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 - Principal Activity and Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted 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.

Advertising costs

The Organization uses advertising to promote its programs among the audiences it serves. The costs of advertising are expensed the first time the advertising takes place, except for direct-response advertising, which is capitalized and amortized over its expected period of future benefits. The Organization had no direct-response advertising during the year ended June 30, 2022.

Financial Instruments and Credit Risk

The Organization manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit, when applicable, with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits. As of June 30, 2022, the Organization holds no deposits above federally insured limited. To date, the Organization has not experienced losses in any of these accounts. Credit risk associated with receivables and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from reputable donors highly supportive of the Organization's mission. When applicable, although the fair values of investments are subject to fluctuation on a year-to-year basis, the Organization believes that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

Interfaith Community for Detained Immigrants
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 - Accounts Receivable

At June 30, 2022, accounts receivable comprise of the following:

Collectible in Fiscal Year 2023	\$ 33,363
Less: Discount to Net Present Value	0
Less: Allowance for Doubtful Accounts	0
Accounts Receivable	<u>\$ 33,363</u>

Note 3 - In-Kind Donations

Donated services are recognized as revenues at their estimated fair value when they create or enhance nonfinancial assets or they require specialized skills which would need to be purchased if they were not donated. Volunteers contribute significant amounts of time to the Organization's program services, administration, and fundraising activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. For the year ended June 30, 2022, the Organization received no donated services that meet the recognition criteria prescribed by generally accepted accounting principles.

Donated goods are recorded at fair value on the date of donation. For the year ended June 30, 2022, no donated goods were received by the Organization.

Donated space is recorded at fair value on the date of donation. For the year ended June 30, 2022, no donated space was received by the Organization.

Note 4 - Leases Commitments

The Organization leases its office space under a lease agreement through June 14, 2024. The lease agreement calls for monthly rent of \$2,000 from June 2022 through June 2024.

Interfaith Community for Detained Immigrants
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 4 - Leases Commitments (Continued)

Rent expense amounts to \$2,000 for the year ended June 30, 2022. Future minimum lease payments are as follows:

For the Year Ended June 30, 2023	\$	24,000
2024		24,000
		<u>48,000</u>
	\$	<u><u>48,000</u></u>

Note 5 - Net Asset Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

Subject to Expenditure for Specific Purpose:		
Case Manager	\$	62,500
Subject to Passage of Time:		
None as of June 30, 2022		<u>0</u>
Total Net Assets with Restrictions	\$	<u><u>62,500</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions or by the occurrence of the passage of time or other events specified by donors during the year ended June 30, 2022:

Purpose Restrictions Accomplished:		
None as of June 30, 2022	\$	0
<u>Time Restrictions Expired:</u>		
Expired during the Year Ended June 30, 2022		<u>37,500</u>
Total Restrictions Released	\$	<u><u>37,500</u></u>

Interfaith Community for Detained Immigrants
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 6 - Liquidity and Availability of Financial Assets

At June 30, 2022, the Organization has \$222,908 of financial assets, excluding non-spendable financial assets, available for general expenditures within one year of the balance sheet date. Of this amount, \$62,500 is subject to donor timing or purpose restrictions, excluding general operation restrictions, expiring within one year. No other contractual restrictions exist that make current financial assets unavailable for general expenditure within one year of the balance sheet date. As of June 30, 2022, the Organization does not expect that its liquidity will deteriorate.

Financial assets available within one year of the balance sheet for general expenditures comprise of the following:

Financial Assets Available for General Expenditure:	
Cash	\$ 189,545
Accounts Receivable	33,363
Total Financial Assets Available for General Expenditure	<u>222,908</u>
Less: Financial Assets Subject to Donor Timing or Purpose Restrictions	(62,500)
Total Financial Assets Available to Meet Cash Needs for General Use Within One Year	<u><u>\$ 160,408</u></u>

Note 7 - Forgiveness of Note Payable

The Organization was approved for a loan of \$83,654 on February 7, 2021, pursuant to the Paycheck Protection Program (the “PPP”) . During the year ended June 30, 2022, the Organization satisfied \$83,654 of the requirements for loan forgiveness and the PPP loan was forgiven by the Small Business Administration. Revenue recognized from the loan forgiveness amounts to \$83,654 for the year ended June 30, 2022. The corresponding revenue from the loan forgiveness is presented within grants and contribution revenue on the statement of activities as of June 30, 2022.

Interfaith Community for Detained Immigrants
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 - Upcoming Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of activities. Currently, leases are classified as either capital or operating, with only capital leases recognized on the statement of financial position. The reporting of lease-related expenses in the statement of activities and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Organization's year ending June 30, 2023 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The new lease standard is not expected to have a significant effect on the the Organization statement of financial position.

Note 9 - Concentration of Grants

The Organization continuously attempts to diversify its revenue base, and as such, does not have a major revenue concentration from a specific grantor as of June 30, 2022.

Note 10 - Subsequent Events

The date to which events occurring after June 30, 2022, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is February 6, 2023, which is the date on which the financial statements were available to be issued.