

# Jafari No-Interest CU

- Salamun Alaikum! Welcome to the CU Annual Meeting.
- In the Chat box, **please type in** your name and the names of other CU members attending with you.
- We will start the meeting, after 5 pm, as soon as 25 CU members have joined InshAllah

Bismillah

# Jafari No-Interest Credit Union

A Credit Union to provide no-  
interest loans to our community  
members, InshAllah

**[www.JafariCU.com](http://www.JafariCU.com)**

**Your savings federally insured to at least \$250,000  
and backed by the full faith and credit of the United States Government**

# **NCUA**

**National Credit Union Administration, a U.S. Government Agency**

# Jafari No-Interest Credit Union

## Quorum and Approve Meeting Minutes

- Quorum has been achieved with 33 members attending.
- Approve Last Annual Meeting's Minutes

# Jafari No-Interest Credit Union

## Financial Statements 2023

- A copy of the annual Financial Statements will be emailed after the Annual Meeting.
  
- Expenses: \$41,067
  - Electronic forms \$2,695, Insurance \$1,177
  - Bank, ACH \$8,166, TX CU Dept Fee \$1,449
  - IT \$13,770, Other services/Fees \$5,501
  - Provision for Loan Losses \$7,820



# Jafari No-Interest Credit Union

## Revenues and Fee Income Analysis

- Revenues: \$83,998, Net Income \$42,930
  - \$3 Fee: \$9,668, Other Savings Fee: \$8,607
  - \$7 Voluntary Fee: \$10,492, Reg. Lending Fee: \$(7,910), Loan Application Fees \$2,550
  - Donation: \$0, Interest (CDs): \$59,826

## Fee Income vs Expenses \$41,067

- \$3/Month Fee: 24% of Expenses
- Other Savings Fee: 21% of Expenses. Goal 100%

# Jafari No-Interest Credit Union

## Balance Sheet

- Total Assets: \$2,262,008
  - Loans: \$826,560, Loss Allowance: \$23,120
  - Cash/CDs \$1,443,020, Other Assets: \$15,548
- Total Liabilities and Capital \$2,262,008
  - Deposits: \$1,810,839, Capital: \$451,169
  - Capital includes \$135,000 donations and Net Incomes from 2016 to 2023.
  - CU needs Net Income (revenues less expenses) to grow CU capital, to meet capital requirements and to increase lending.

# Jafari No-Interest Credit Union

## 2023 vs 2022

	2023	2022	Change
Revenues	83,998	58,573	25,425
Expenses	41,067	31,628	9,439
Net Income	42,931	38,945	3,986
Liabilities/Capital			
- Deposits	1,810,839	1,504,318	306,521
- Capital	451,169	408,239	42,930
Assets			
- Loans (Net)	826,560	556,361	270,199
- Cash/CDs	1,443,020	1,356,999	86,021
- Other Assets	15,548	14,495	1,053

# Jafari No-Interest Credit Union

## Supervisory Committee Report

- **Supervisory Committee** reviews CU's accounting and operations: Hyder Khan, Mohammed Virani, Ali Oonwala
- Report from Ali Oonwala, CU Director and Chairman of Supervisory Committee



To the Board of Directors of  
Jafari No Interest Credit Union  
Houston, Texas

We have audited the financial statements of Jafari No-Interest Credit Union (the "Company"), which comprise the balance sheet as of December 31, 2023, and the related statements of operations ("financial statements") for the year then ended.

#### **Management's Responsibility for the Financial Statements**

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

#### **Supervisory Committee Audit Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jafari No Interest Credit Union as of December 31, 2023, and the results of its operations for the year then ended.

*Supervisory Committee*

April 29, 2024  
Houston, Texas

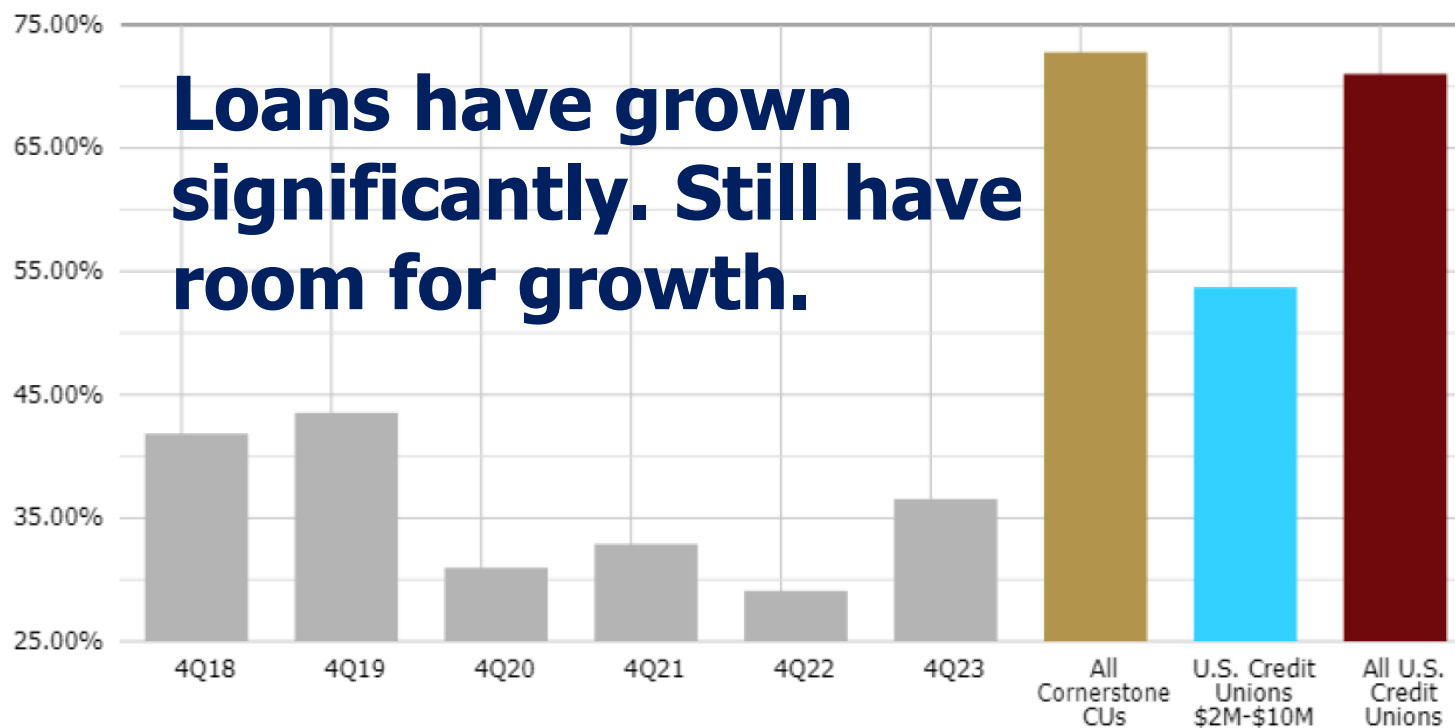
# Jafari No-Interest Credit Union

Current Status (May 2024) [www.JafariCU.com](http://www.JafariCU.com)

- See the CU's reports on NCUA website:
- <https://mapping.ncua.gov/CreditUnionDetails/68675>

	May 2024	Jun 2023
Members	318	268
Deposits	\$1,820,000	\$1,570,000
Loans Issued to-date	\$2,511,000	\$1,920,000
<b>Interest Avoided to-date</b>	<b>\$802,000</b>	<b>\$576,000</b>
Expenses to-date	\$260,051	\$233,834
Net Worth (Capital)	\$476,063	\$434,111

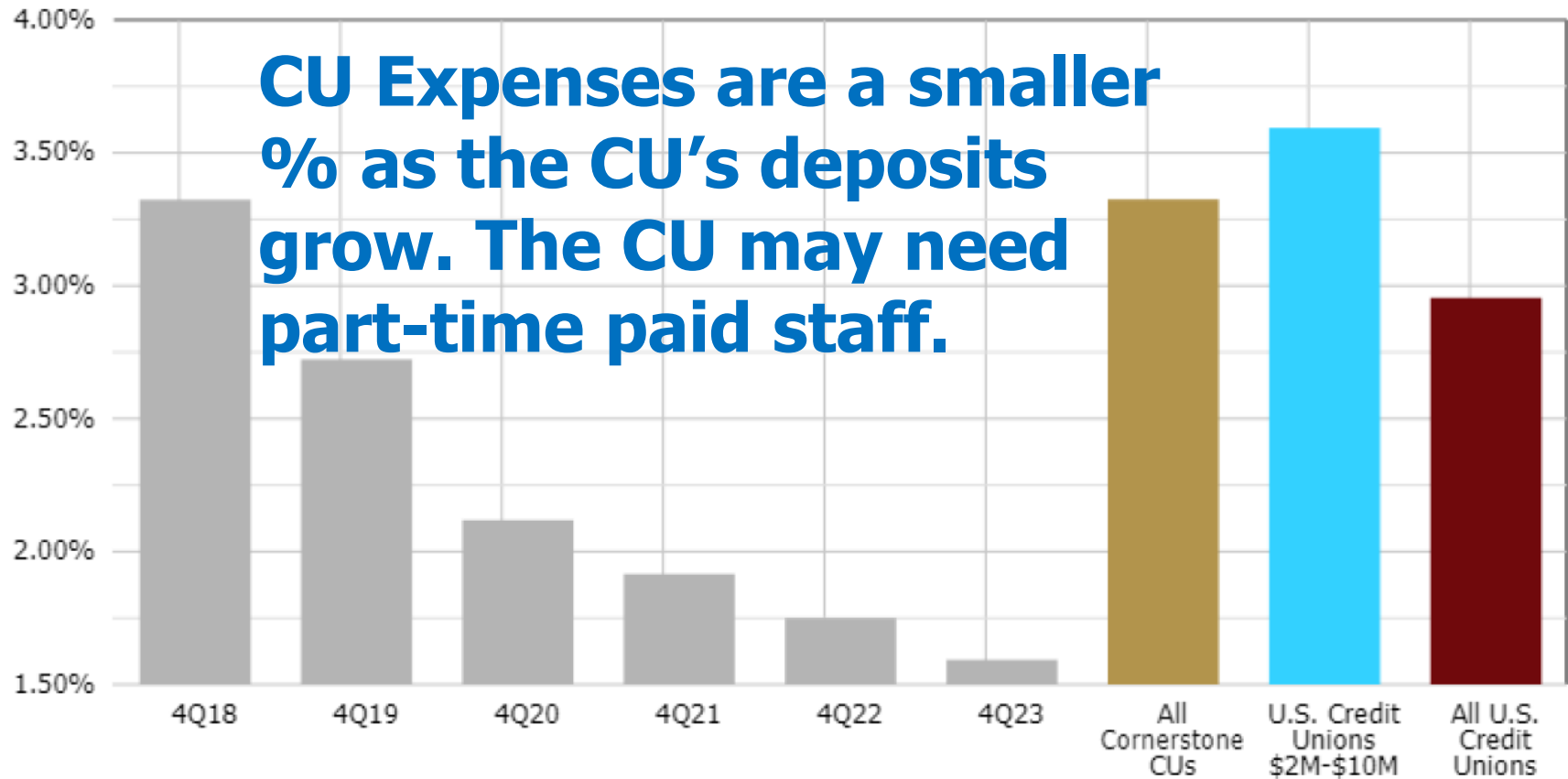
## Loans/TA - Jafari No-Interest (Dec. 31, 2023)



Source: Callahan & Associates



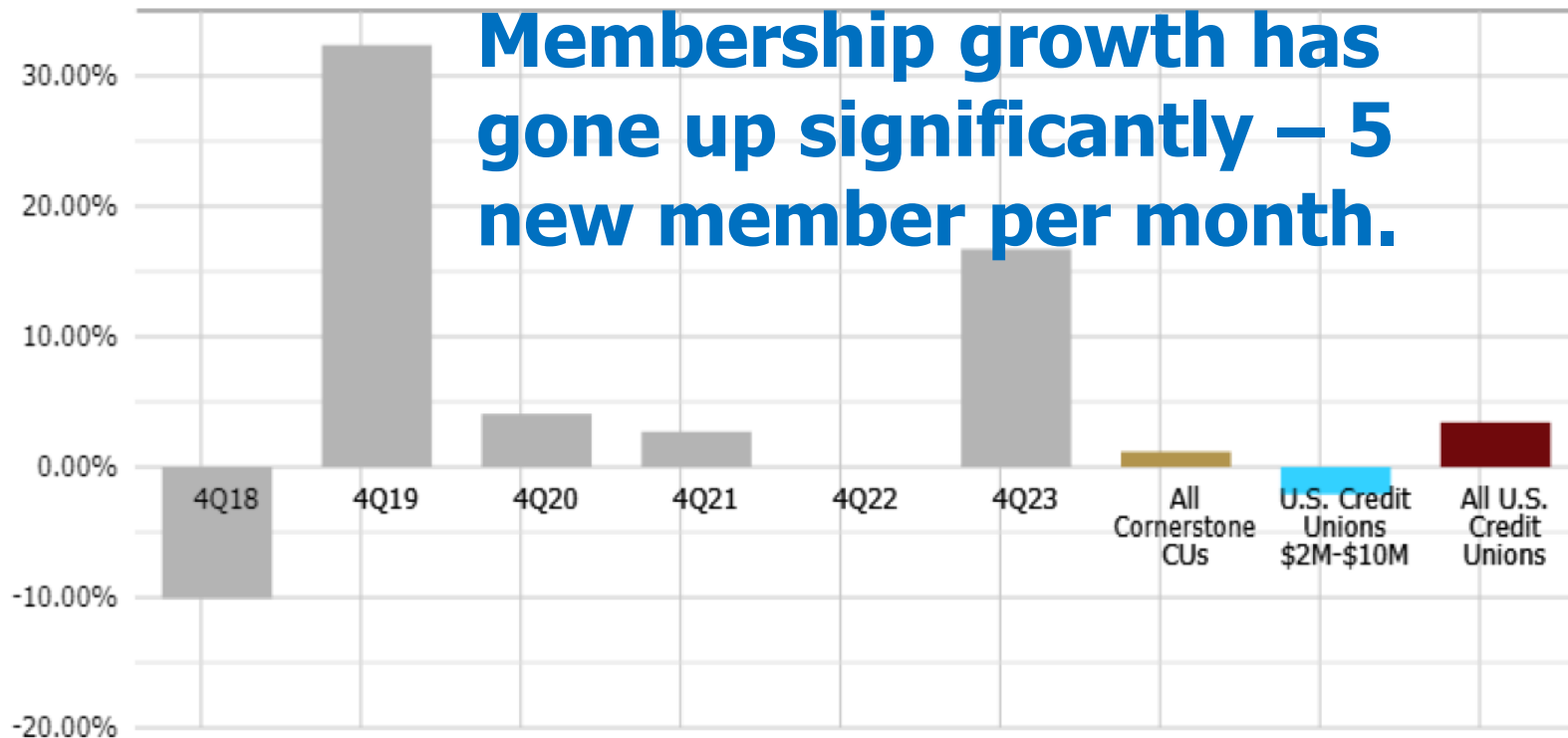
## Operating Expense/ATA - Jafari No-Interest (Dec. 31, 2023)



Source: Callahan & Associates



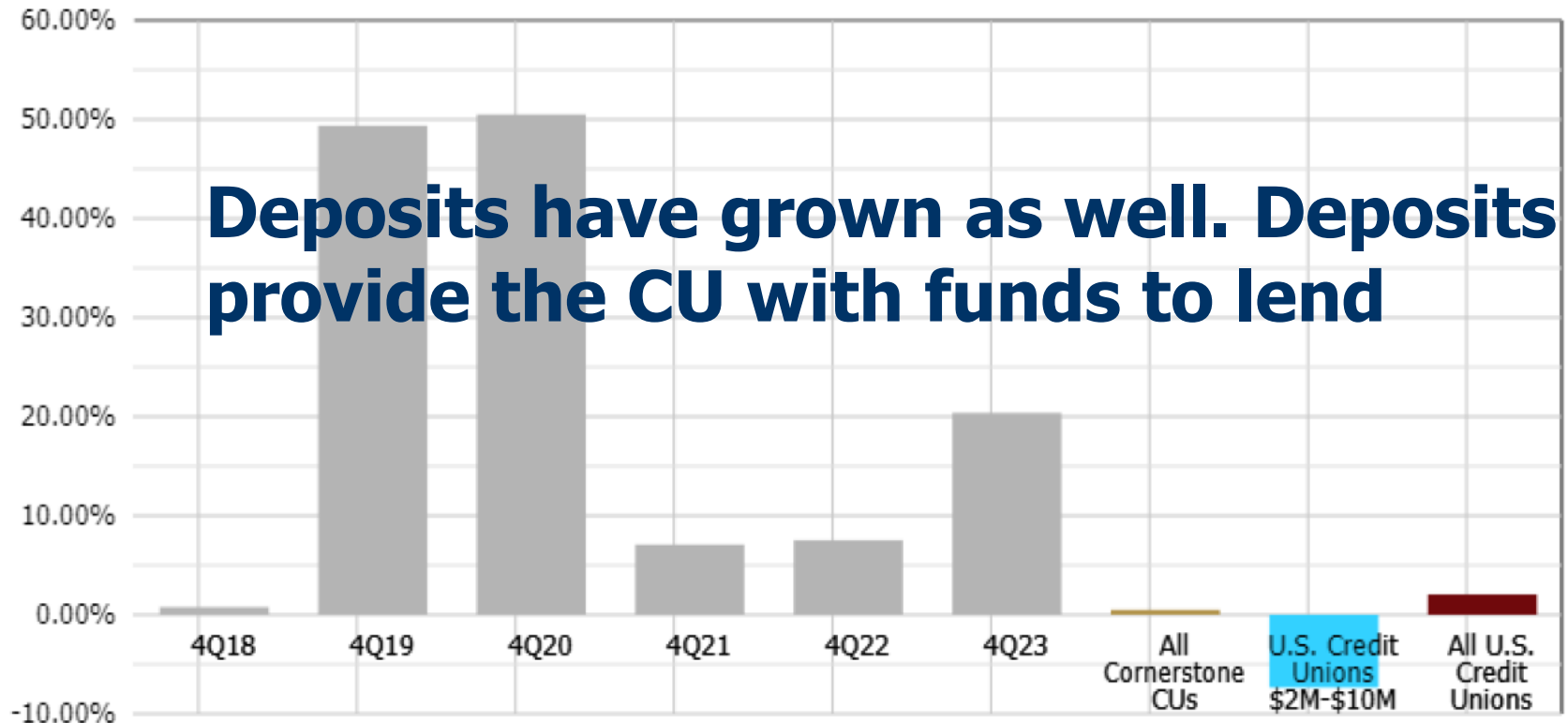
## Member Growth - Jafari No-Interest (Dec. 31, 2023)



Source: Callahan & Associates



## Share Growth - Jafari No-Interest (Dec. 31, 2023)



Source: Callahan & Associates

# Jafari No-Interest Credit Union

## CU Personnel (all Volunteers, JazakAllah Khair)

- **Directors:** Faiyaz Bhojani, Mohammed Mithani (Vice-President), Ali Rizvi (Secretary, Vice-President) Imran Dhanji (Treasurer, President), Reza Khalili (Chairman), Ali Oonwala – July 2022 to June **2025**
- **Supervisory Committee** reviews CU's accounting and operations: Hyder Khan, Mohammed Virani, Ali Oonwala
- **Credit Committee** makes loan decisions: Faiyaz Bhojani, Reza Khalili, Komain Khoja, Faizan Ali
- **Compliance Officer:** Husain Mirza, **Accountant:** Irfan Aziz, **Attorney:** Alyan Haidery
- **CU Representatives:** Azher PeerBhoy,-Dallas, Mohammed Rizvi-Austin
- **Other Volunteers:** Ali Sina Mirab, Maryam Tejani (Supv Comm), Kumail Dhanji (Accounting), M Iqbal Merchant (Orlando)

# Jafari No-Interest Credit Union

## Cyber Security Incident Nov 26, 2023

- The hosted system used by the CU suffered a cybersecurity incident on Nov 26, 2023 and the CU system was down from Nov 26 to Dec 5.
- Additionally, FedComp informed us that our CU data, along with several other hosted CUs' data, may have been accessed by whoever carried out the cybersecurity attack. The final update FedComp, on May 13, 2024, stated that data review specialists engaged by Ongoing Operations determined that no personal information of CU members was present in the data impacted by this event.
- The National Credit Union Administration (NCUA) was informed about this incident.



# Jafari No-Interest Credit Union

## Recent Changes / Proposals

- Cyber security Incident
  - FedComp has switched the CU's IT hosting to Microsoft Azure, a more secure system.
- Monthly Fee changed October 15, 2023
  - \$3 if you have no CU loans or your Savings balance equals or exceeds your CU total loans, \$12 if your CU total loans exceed your Savings bal by less than \$10,000, \$30 if your CU total loans exceed your Savings bal by less than \$20,000, and \$60 otherwise.
  - The CU expects the current Monthly Fee to eventually cover 100% of annual expenses. Currently 59%.
  - Average Loan Balance (May 2024): \$9605.

# Jafari No-Interest Credit Union

## Future Plans

- Expand Field of Membership
  - Add centers in Texas, Florida, Michigan, California.
  - Consider applying for a federal charter
- New services (some same as last year)
  - No-interest loans for small business
  - Car Installment Sale as a source of income.
  - College Tuition loans for Masters
  - Loans for members facing Financial Hardship

Main reason for lack of progress is volunteer time constraints, to do the research, do the paperwork, etc.

# Q & A

[www.JafariCU.com](http://www.JafariCU.com)