

ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Financial Statements

Year Ended June 30, 2021

ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

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Year Ended June 30, 2021

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S.N.ROY & ASSOCIATES

INDEPENDENT AUDITOR'S REPORT

To the Members of Islamic Association of Saskatchewan, Moose Jaw Inc.

We have audited the accompanying financial statements of Islamic Association of Saskatchewan, Moose Jaw Inc., which comprise the statement of financial position as at June 30, 2021 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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 qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, Islamic Association of Saskatchewan, Moose Jaw Inc. derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Islamic Association of Saskatchewan, Moose Jaw Inc. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended June 30, 2021, current assets and net assets as at June 30, 2021.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Islamic Association of Saskatchewan, Moose Jaw Inc. as at June 30, 2021 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Moose Jaw, Saskatchewan
August 6, 2021

S.N.Roy & Associates

ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Statement of Financial Position

June 30, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 20,203	\$ 22,239
Goods and services tax recoverable	234	315
	<u>20,437</u>	<u>22,554</u>
PROPERTY, PLANT AND EQUIPMENT (Note 3)	<u>1,581,025</u>	<u>1,612,578</u>
	<u>\$ 1,601,462</u>	<u>\$ 1,635,132</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 20,966	\$ -
DUE TO MEMBERS (Note 4)	<u>168,250</u>	<u>168,250</u>
	<u>189,216</u>	<u>168,250</u>
General fund	<u>1,412,246</u>	<u>1,466,882</u>
	<u>\$ 1,601,462</u>	<u>\$ 1,635,132</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

See notes to financial statements

ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Statement of Changes in Net Assets

Year Ended June 30, 2021

	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 1,466,882	\$ 1,491,713
Deficiency of revenue over expenses	<u>(54,636)</u>	<u>(24,831)</u>
NET ASSETS - END OF YEAR	<u>\$ 1,412,246</u>	<u>\$ 1,466,882</u>

ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Statement of Revenues and Expenditures

For the Year Ended June 30, 2021

	2021	2020
REVENUE		
Tax receipted donations	\$ 34,357	\$ 41,750
Fundraising and other revenue	23,643	34,619
	<u>58,000</u>	<u>76,369</u>
EXPENSES		
Amortization	31,554	31,554
Donations	150	5,000
Insurance	-	3,212
Bank fees	1,834	2,021
Assessment	23,666	-
Office	-	584
Professional fees	3,319	4,653
Repairs and maintenance	1,009	1,649
Clergy & Assistants	42,000	43,000
Supplies	3,270	1,803
Telephone	911	858
Utilities	4,923	6,866
	<u>112,636</u>	<u>101,200</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (54,636)</u>	<u>\$ (24,831)</u>

ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Statement of Cash Flow
Year Ended June 30, 2021

	2021	2020
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (54,636)	\$ (24,831)
Item not affecting cash:		
Amortization of property, plant and equipment	31,554	31,554
	<u>(23,082)</u>	<u>6,723</u>
Changes in non-cash working capital:		
Accounts payable	20,965	(1)
Goods and services tax payable	81	4,090
	<u>21,046</u>	<u>4,089</u>
Cash flow from (used by) operating activities	<u>(2,036)</u>	<u>10,812</u>
FINANCING ACTIVITY		
Advances to members	-	(31,750)
DECREASE IN CASH FLOW	(2,036)	(20,938)
Cash - beginning of year	<u>22,239</u>	<u>43,177</u>
CASH - END OF YEAR	\$ 20,203	\$ 22,239

ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Notes to Financial Statements

Year Ended June 30, 2021

1. DESCRIPTION OF BUSINESS

The business is incorporated under the provincial business corporations act. The corporation is a registered charity. The purpose is to provide and maintain a place for prayer and education of the Islamic faith. The charity supports the community as part of the religious tenets, doctrines, and culture associated with the Islamic faith.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Goods and Services Tax

Contributed materials and services are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as a receivable.

Revenue recognition

Islamic Association of Saskatchewan, Moose Jaw Inc. follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated amortization. Property, plant and equipment are amortized over their estimated useful lives at the following rates and methods:

Land		non-amortizable
Buildings	50 years	straight-line method
Fencing	20 years	straight-line method

The Company regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

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Notes to Financial Statements

Year Ended June 30, 2021

3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land	\$ 96,854	\$ -	\$ 96,854	\$ 96,854
Buildings	1,526,998	61,080	1,465,918	1,496,458
Fencing	20,280	2,028	18,252	19,266
	<u>\$ 1,644,132</u>	<u>\$ 63,108</u>	<u>\$ 1,581,024</u>	<u>\$ 1,612,578</u>

4. DUE TO MEMBERS

A member of the organization has provided funds in order to commence the construction of a place of worship. Funds provided are non-interest bearing and have no set terms of repayment. Therefore, they are considered to be a long term debt.
