

**ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.**

**Financial Statements**

**Year Ended June 30, 2022**

**ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.**

**Index to Financial Statements**

**Year Ended June 30, 2022**

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	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Revenues and Expenditures	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 8

# S.N.ROY & ASSOCIATES

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## INDEPENDENT AUDITOR'S REPORT

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

### *Qualified Opinion*

We have audited the financial statements of Islamic Association of Saskatchewan, Moose Jaw Inc. (the organization), which comprise the statement of financial position as at June 30, 2022, and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at June 30, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

### *Basis for Qualified Opinion*

In common with many charitable organizations, the organization derives revenue from (specify type of contributions affected) the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets. Our audit opinion on the financial statements for the year ended June 30, 2021 was modified accordingly because of the possible effects of this limitation of scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. 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 independent of the organization in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

*(continues)*

*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 a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Statement of Financial Position

June 30, 2022

	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 14,302	\$ 19,703
Goods and services tax recoverable	430	234
	<u>14,732</u>	<u>19,937</u>
PROPERTY, PLANT AND EQUIPMENT <i>(Note 3)</i>	<u>1,549,471</u>	<u>1,581,025</u>
	<u>\$ 1,564,203</u>	<u>\$ 1,600,962</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 14,966	\$ 20,966
DUE TO MEMBERS	<u>128,250</u>	<u>168,250</u>
	<u>143,216</u>	<u>189,216</u>
NET ASSETS	<u>1,420,987</u>	<u>1,411,746</u>
	<u>\$ 1,564,203</u>	<u>\$ 1,600,962</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, 2022**

	<b>2022</b>	2021
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 1,411,746</b>	\$ 1,466,882
Excess of revenues over expenses	<u>9,241</u>	<u>(55,136)</u>
<b>NET ASSETS - END OF YEAR</b>	<b><u>\$ 1,420,987</u></b>	<b><u>\$ 1,411,746</u></b>

ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Statement of Revenues and Expenditures

Year Ended June 30, 2022

	2022	2021
<b>REVENUES</b>		
Tax receipted donations	\$ -	\$ 34,357
Fundraising and other revenue	104,398	23,143
	<u>104,398</u>	<u>57,500</u>
<b>EXPENSES</b>		
Amortization	31,554	31,554
Donations	-	150
Bank fees	2,705	1,834
Assessment	-	23,666
Professional fees	490	3,319
Repairs and maintenance	1,745	1,009
Clergy & Assistants	51,898	42,000
Supplies	-	3,270
Telephone	933	911
Utilities	5,832	4,923
	<u>95,157</u>	<u>112,636</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>\$ 9,241</u>	<u>\$ (55,136)</u>

ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Statement of Cash Flows

Year Ended June 30, 2022

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ 9,241	\$ (55,136)
Item not affecting cash:		
Amortization of property, plant and equipment	<u>31,554</u>	<u>31,554</u>
	<u>40,795</u>	<u>(23,582)</u>
Changes in non-cash working capital:		
Accounts payable	(6,000)	20,965
Goods and services tax payable	<u>(196)</u>	<u>81</u>
	<u>(6,196)</u>	<u>21,046</u>
Cash flow from (used by) operating activities	<u>34,599</u>	<u>(2,536)</u>
<b>FINANCING ACTIVITY</b>		
Advances to members	<u>(40,000)</u>	<u>-</u>
<b>DECREASE IN CASH FLOW</b>	<b>(5,401)</b>	<b>(2,536)</b>
Cash - beginning of year	<u>19,703</u>	<u>22,239</u>
<b>CASH - END OF YEAR</b>	<b>\$ 14,302</b>	<b>\$ 19,703</b>
<b>CASH CONSISTS OF:</b>		
Cash	<u>\$ 14,302</u>	<u>\$ 19,703</u>



ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Notes to Financial Statements

Year Ended June 30, 2022

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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.

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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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ISLAMIC ASSOCIATION OF SASKATCHEWAN, MOOSE JAW INC.

Notes to Financial Statements

Year Ended June 30, 2022

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3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Land	\$ 96,854	\$ -	\$ 96,854	\$ 96,854
Buildings	1,526,998	91,620	1,435,378	1,465,918
Fencing	20,280	3,042	17,238	18,252
	<u>\$ 1,644,132</u>	<u>\$ 94,662</u>	<u>\$ 1,549,470</u>	<u>\$ 1,581,024</u>

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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.

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