



**North American Muslim Foundation**

# **NORTH AMERICAN MUSLIM FOUNDATION**

**Financial Statements**

**Year Ended - December 31, 2013**



**North American Muslim Foundation**

**NORTH AMERICAN MUSLIM FOUNDATION**

**Year ended - December 31, 2013**

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## **INDEPENDENT AUDITORS' REPORT**

To the Members of  
North American Muslim Foundation

I have audited the accompanying financial statements of North American Muslim Foundation, which comprise the statement of financial position as at December 31, 2013 and the statements of operations and changes in net assets and cash flows 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 of these financial statements in accordance with 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**

My responsibility is to express an opinion of these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 organization'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 organization'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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, North American Muslim Foundation derives revenue from donations and fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amount recorded in the records of the organization and I was not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, assets and net assets.

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**Opinion**

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of North American Muslim Foundation as at December 31, 2013 and the results of its operations and cash flows for the year then ended in accordance with Accounting standards for not-for-profit organizations.

**Other Matter**

The financial statements of the organization for the year ended December 31, 2012 were audited by another auditor who also expressed a qualified opinion on those financial statements on March 29, 2013.

*Paracha Professional Corporation*

Milton, Ontario  
May 25, 2014

Authorized to practise public accounting by the  
Certified General Accountants of Ontario



**Statement of Financial Position  
December 31, 2013**

	NOTES	2013	2012
<b>ASSETS</b>			
<b>CURRENT</b>			
Cash		\$2,092	\$ 289,505
Prepaid Expenses		2,921	12,377
Harmonized Sales Tax Refundable		43,525	42,813
		<b>48,538</b>	344,695
<b>PROPERTY AND EQUIPMENT</b>	2	<b>4,183,844</b>	4,079,633
		<b>\$4,232,382</b>	\$4,424,328
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT</b>			
Bank indebtedness		\$121,093	\$ -
Accounts payable and accrued liabilities		50,594	37,084
Government remittances payables		18,017	164,205
Fitra and Zakat Payable	3	5,866	126,730
Qarz-e-Hasna	4	-	15,000
Obligation under capital leases - current portion	5	6,704	4,658
Long term debt - current portion	6	109,178	150,000
		<b>311,452</b>	\$497,677
<b>LONG-TERM</b>			
Obligation under Capital Leases	5	8,567	3,287
Long term debt	6	2,611,822	2,675,000
		<b>2,620,389</b>	2,678,287
		<b>2,931,841</b>	3,175,964
<b>NET ASSETS</b>		<b>\$1,300,541</b>	\$1,248,364
		<b>\$4,232,382</b>	\$4,424,328

**Approved By:**

Approved on behalf of the North American Muslim Foundation by:

Director: \_\_\_\_\_ Director: \_\_\_\_\_

*see accompanying notes*



**Statement of Operations**  
**Year Ended - December 31, 2013**

	NOTE	2013	2012
<b>REVENUES</b>			
General donations		\$716,807	\$571,801
Fitra and Zakat income		124,340	213,183
Program fees		170,172	170,161
Grants		46,152	161,415
Other Income		-	32,835
		<u>\$1,057,471</u>	<u>\$1,149,395</u>
<b>EXPENSES</b>			
Amortization		102,554	91,138
Advertising and printing		15,370	20,868
Payroll		312,358	183,820
Fundraising expenses		44,535	36,069
Office and general		19,759	13,332
Bank charges and borrowing cost		116,173	131,453
Insurance expenses		10,561	8,290
Professional fees		15,973	15,903
Repairs and maintenance		5,038	6,704
Programs		128,685	47,989
School Expenses		63,233	20,876
Sub-Contractor		4,000	25,140
Telecommunications		7,183	5,103
Travel and Automtive		19,002	11,327
Utilities and Common Expenses		41,398	28,515
Transfer of Fitra and Zakat funds	3	99,472	170,546
<b>Total Expenses</b>		<u>1,005,294</u>	<u>817,073</u>
<b>Excess of Revenues over Expenses</b>		<u>\$52,177</u>	<u>\$332,322</u>



**Statement of Changes in Net Assets**  
**Year Ended - December 31, 2013**

	<b>2013</b>	<b>2012</b>
<b>Net Assets - Beginning of Year</b>	<b>\$1,248,364</b>	\$916,041
Excess of Revenues over Expenses	<b>52,177</b>	332,322
<b>Net Assets - End of Year</b>	<b>\$1,300,541</b>	\$1,248,364



**Statement of Cash Flows**  
**Year Ended - December 31, 2013**

	<b>2013</b>	<b>2012</b>
<b>Cash Provided by (Used in):</b>		
<b>Operating activities</b>		
Excess of Revenues Over Expenses	<b>\$52,177</b>	\$332,322
Non-cash item - Amortization	<b>102,554</b>	91,138
	<b>154,731</b>	423,459.66
Changes in non-cash operating working capital:		
Prepaid Expenses	<b>9,456</b>	(6,740.00)
Harmonized Sales Tax Refundable	<b>(160,314)</b>	169,651
Accounts Payable & Accrued Liabilities	<b>13,511</b>	21,861
Government Remittances Payables	<b>13,414</b>	4,601
<b>Cash Provided by Operations</b>	<b>30,798</b>	612,833
<b>Investing Activities</b>		
Additions to Property, Plant and Equipment	<b>(206,765)</b>	(319,359)
<b>Cash Used for Investing</b>	<b>(206,765)</b>	(319,359)
<b>Financing Activities</b>		
Bank indebtedness	<b>121,092</b>	-
Zakat & Fitra Payable	<b>(120,864)</b>	(138,086)
Qurze Hasna	<b>(15,000)</b>	-
Obligation under Capital Leases	<b>7,326</b>	(4,023)
Long - term debt	<b>(104,000)</b>	(150,000)
<b>Cash Used by Financing</b>	<b>(111,446)</b>	(292,109)
<b>Decrease in Cash</b>	<b>(287,413)</b>	1,365
Cash - Beginning of Year	<b>289,505</b>	288,140
<b>Cash - End of Year</b>	<b>\$2,092</b>	\$289,505