

ISNA Canada Annual General Meeting 2024
2024-08-25 10:30 am – 1:30 pm
In-person at ISNA Canada HQ and Online

Agenda

1. Opening Du'a
2. Welcome and Housekeeping
3. Program
4. Quorum Confirmation
5. Approval of Agenda
6. Approval of Past AGM Minutes
7. Approval of Audited Financial Statements
8. Approval of Auditors for 2024
9. Confirmation of Sr. Qadija Yusuf as a Director
10. Approval of Nominations and Elections Committee Members
11. Q&A
12. Conclusion and Closing Dua

Minutes

1. Opening Du'a and Quran recitation by Abdallah Ramadan at 10:53 am.

Khaterah presented by Sheikh Hosam Helal

Praise be to Allah who gathered us at this time to discuss and come together. The prophet (ﷺ) has left for us two things for us to hold onto: the Quran and the sunnah of the prophet (ﷺ).

ISNA Canada has seen an influx of people into the community in recent years. We need to operate with the notion of husn al-dhann and sound advice. The companions had the prophet (ﷺ) amongst them to answer any of the issues they had and he would receive revelation from Allah. The companions felt the loss of that certainty in knowing what to do in new matters after the prophets' (ﷺ) passing.

One of the deadliest sins is that of arrogance. The prophet (ﷺ) taught us how to share gentle advice and have unity amongst ourselves.

2. Welcome and Housekeeping

Opening remarks by Mustapha Ramadan.

In person guidelines for asking questions, moving a motion, and voting were presented. Online guidelines for asking questions, moving a motion, and voting were presented. Vote tallies will be communicated in real time.

3. Program

Shaheryar Gilani, Growth Manager, presented the 2023 Annual Impact Report.

His presentation highlighted key moments from the Ramadan program, including the well-received post-Taraweeh youth khaterahs.

Weekly programs such as Friday Night Live, Quran Journey, and the IQRA Quran program continued to experience steady growth throughout 2023.

Volunteers remain the backbone of ISNA.

This year, 7,277 volunteers were engaged in various initiatives. ISNA's work would not be possible without their dedication and support. To further enhance volunteer effectiveness, ISNA has introduced a mandatory orientation to help develop their skills and preparedness.

Several infrastructure improvements were made in 2023.

At the Islamic Centre of Canada (ICC), renovations included new carpets and an upgraded sound system. At Jami Mosque, Canada Summer Jobs students actively participated in community programming. Meanwhile, construction in Yellowknife has made significant progress toward the completion of the new center.

4. Quorum Confirmation

Official start of the AGM per the reaching of quorum.

Please refer to Appendix A for AGM Slides.

Quorum reached with 94 members (55 in person and 39 online) confirmed at 11:07 am.

5. Approval of Agenda

Agenda approval as per the above agenda:

Nabeel Mirza moved the agenda with amendments. Yasir Khan seconded. All in the room and 48 online voted in favour. 0 in person and 0 voted against online. Agenda carried.

6. Approval of Past AGM Minutes

Mohannad Assal moved to approve 2019 ISNA Canada Annual General Meeting Minutes. Riad Issawi seconded. All in the room and 26 online voted in favour. 0 in person and 1 online voted against. Minutes Adopted.

Mostafa Soliman moved to approve 2020 ISNA Canada Annual General Meeting Minutes. Humera Mirza seconded. All in the room and 27 online voted in favour. 0 in person and 1 online voted against. Minutes Adopted.

Yasir Hussein moved to approve 2021 ISNA Canada Annual General Meeting Minutes. Raadiya Mohammad seconded. All in the room and 23 online voted in favour. 0 in person and 1 online voted against. Minutes Adopted.

Mohannad Assal moved to approve 2022 ISNA Canada Annual General Meeting Minutes. Omayya Rakieh seconded. All in the room and 20 online voted in favour. 0 in person and 1 online voted against. Minutes Adopted.

Ghada El-Sadek moved to approve 2023 ISNA Canada Annual General Meeting Minutes. Riad Issawi Seconded. All in the room and 20 online voted in favour. 0 in person and 1 online voted against. Abdallah Ramadan Abstain. Minutes Adopted.

7. Approval of Audited Financial Statements

Mostafa Soliman presented the 2023 Audited Financial Statements (Appendix B)

Questions were asked regarding the 2023 Audited Financial statements and financials in general.

Mohannad Assal moved the 2023 Audited Financial Statements. Khaled ElManawhly seconded. All in the room and 23 online voted in favour. None voted against and no one abstained. Motion carried.

8. Approval of Auditors for 2024

Motion to approve Grant Thornton as our auditor for the 2024 financial year – Nabeel Mirza moved. Riad Issawi seconded. All in the room and 24 online voted in favour. 0 in person and 2 online voted against. Motion carried.

9. Confirmation of Sr. Qadija Yusuf as a Director

Questions were asked regarding the appointment of Sr. Qadija Yusuf as a director and the duration of her term.

Mustapha Ramadan moved to approve Sr. Qadija Yusuf as a Director of ISNA Canada. Absal Abdulhafedh seconded. All voted in favour in the room and 25 online. Riad Issawi and Sh. Iqbal Nadvi Abstained. Motion carried.

10. Approval of Nominations and Elections Committee Members

Motion to Approve Fezal Ackburally as a member of the Nominations and Elections Committee. Riad Issawi moved. Nabeel Mirza seconded. All voted in favour in the room and 18 online. 0 in person and 4 online voted against. Motion carried.

Motion to Approve Shahnaz Kashem as a member of the Nominations and Elections Committee. Adeel Abbasi moved. Akbar Khan seconded. All voted in favour in the room and 19 online. 0 in person and 5 online voted against. Motion carried.

Motion to Approve Farah Khan as a member of the Nominations and Elections Committee. Shoaib Khan moved. Khaled ElManawahly seconded. All voted in favour in the room and 17 online. 0 in person and 2 online voted against. Motion carried.

Motion to Approve Ibrahim Afaneh as a member of the Nominations and Elections Committee. Yousef Jammous moved. Nagib Ali seconded. All voted in favour in the room and 18 online. None voted against. Motion carried.

Motion to Approve Younas Abbas as a member of the Nominations and Elections Committee. Yasir Hussein moved. Shoaib Khan seconded. All voted in favour in the room and 17 online. 0 in person and 2 online voted against. Motion carried.

11. Q&A

Question and answer session took place.

12. Conclusion and Closing Dua

Closing remarks and Dua by Mustapha Ramadan. Meeting closed at 1:09 pm.

APPENDIX A



ISNA

CANADA

AGM

Aug 25th 2024 | 10:30 am



Agenda



1. Opening Du'a
2. Welcome and Housekeeping
3. Program
4. Quorum confirmation
5. Approval of Agenda
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Opening Du'a



Welcome and Housekeeping



In Person Guidelines

- To ask questions, please write them down on the provided papers, one at a time.
 - The moderator will group the questions and read them to all.
 - To move a motion or second it please raise your hand. We will call on you to get your name.
 - For voting please raise your hand in the air is considered a vote for a motion.
 - During the Q&A session, if you want to ask a question directly, please write “I want to ask a question” with your name on the provided paper. When it is your turn, you will be given the mic and asked to limit yourself to a max of 3 min and one question at a time.
- 

Voting Process – In person

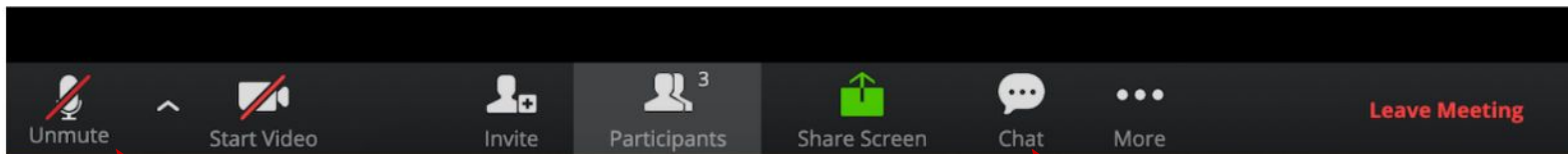
After the Vote is called, we have a few minutes to complete the following process

- **MEMBERS:**
 - Raise your hand when the moderator calls for who are in favour
 - Raise your hand when the moderator calls for who are against
- **VOTE TALLY:**
 - Usher (Staff/Volunteer) will count the Yes and No
 - That number will be communicated to the meeting moderator



Guidelines for using Zoom

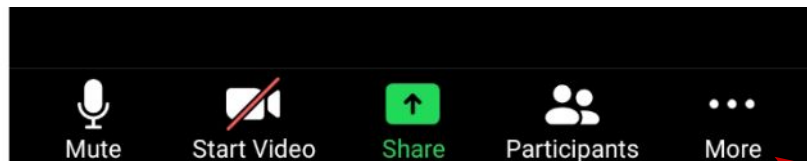
Desktop



Mute / Unmute icon

Chat box icon

Mobile



Mute / Unmute icon

This icon opens gives access to the chat icon





Online (Zoom) Guidelines

- To ask questions, please type them in the Chat box one at a time.
- The moderator will group the questions and read them to all.
- To move a motion or second it please type it in the chat box.
- For voting please use the pop-up polling window that will appear.
- During the Q&A session, if you want to ask a question directly, please type in the chat box “I want to ask a question”. When it is your turn, you will be unmuted and asked to limit yourself to a max of 3 min and one question at a time.
- If you need help with Zoom please call 905-403-8406 #710





Voting Process - Online

After the Vote is called, we have a few minutes to complete the following process

- **MEMBERS:**
 - **Poll Question** will appear on your screen with a Yes or No option. Please vote your preference
 - **If more than one person is on one device (who has been validated)** Please text online the name and membership # and how they would like to vote
- **VOTE TALLY:**
 - **Online (Staff)** will tabulate the Yes and No per device
 - Please note for more than one vote to be tallied per device:
 - **Notification** needs to be sent **for each vote in comments section** of meeting.
 - That number will be communicated to the meeting moderator





Voting Process – Final Results

Online

- The results will be tabulated and the results will be announced by the moderator



Program



ISNA
CANADA

2023

ANNUAL IMPACT REPORT



RAMADAN AT ISNA

Nearly
100,000

Muslims across the GTA visited ICC
throughout the month of Ramadan.

15,000

Attendees across **20**
educational programs offered

25+

Visiting Scholars



Youth Khatirahs

Every Friday, Saturday & Sunday

10,000

Youth Attendees
Throughout the Month

13

Total Khatirahs
Hosted

Iftars

Weekly & Weekends at ICC

35,000

Total Iftars Served

13,000

Drive-Thru Iftars Served

Weekend Drive-Thrus

250

New Muslims

Weekly New Muslim Iftars

1,000

Sisters

Weekly Sisters Youth Iftars

800

Brothers

Weekly Brothers Youth Iftars

50

Seniors

Weekly Seniors Iftars

Iftars in the GTA

Daily & Weekly Iftars in the Wider Community

250

Iftar Meals for students on campus through Muslim Chaplaincy at UofT

Emmanuel College

3,250

Iftar Meals

Jami Mosque, Downtown Toronto

ISNA Cares

We aim to provide accessible services to all Canadians through counselling, essential assistance, and education.

We offer:



Mental Health
Counselling



Hospital
Visits



Food
Bank



Learn
More

Iftar Provided to
Frontline Healthcare
workers, Everyday.

All Trillium Health Partner Locations

COMMUNITY CELEBRATIONS



8,000

Eid ul-Fitr Carnival Attendees



10,000

Eid al-Adha Summer Fun Fest Attendees

PROGRAMS

8,000 Average in Attendance Each
Month Across All Programs

5 New Muslims
Socials

164 Total
Attendees

5 Nature
Walks

200 Total
Attendees

7 Seasonal
Camps

600 Total
Campers

7 Seniors
Socials

200 Total
Attendees

Weekly Programs

**Friday Night Live with
Shaykh Shoaib Wardak**

150 Attendees
on Average

**Qur'an Journey with
Shaykh Hosam Helal**

100 Attendees
on Average

**ISNA Sunday
School**

300+ Registrants

**ISNA's Qur'an
Academy (IQRA)**

100 Registrants
on Average

SERVICES

Food Bank

4,824

Families Served

15

Years of Service

Funerals

229

Funerals Provided

99%

Overall Satisfaction

248

Graves Sold

5.0

Star Rating for
Ghusl Process

Halal Services

16

New Clients
in 2023

79

Total Number
of Clients in 2023

ISNA CARES

1,263

Free Counselling
Sessions

805

Counselling Clients

190

Bereavement Calls

600

Hospital Visits

44

Mothers' Support
Groups Hosted

25

Students Engaged across
our Accessible Programs

EVENTS

Virtual Reality Experience

22 VR Activations
in 2023

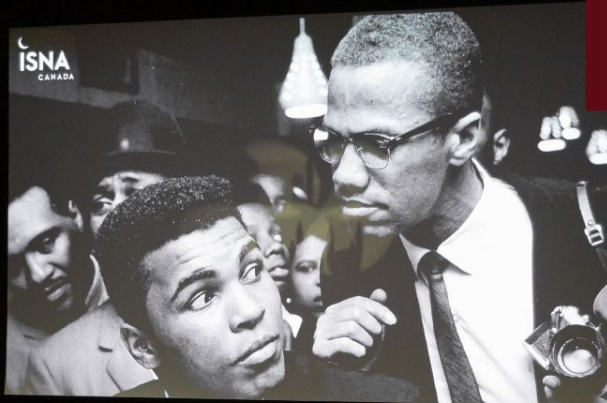
Virtual Reality Experience
at Parliament Hill, Ottawa

Virtual Reality Experience
at Eaton Centre

3000 Patrons

EVENTS

18,000 Attendees across
all Community Events



Malcolm & Ali



Seerah Relived



YouthX

VOLUNTEERS

7,277

Volunteers Engaged

2,196

New Volunteers Registered
in 2023

26,331

Total Volunteer Hours
Contributed

829

Unique Volunteer
Opportunities Offered

YOUTH



20,587

Youth in Attendance
at Programs

137

Unique Programs
Offered



New Speaker System in Gym



Interior Painting of ICC



Repairing Exterior Arches



New Hub Coffee Cart

INNOVATIONS & UPGRADES



New Carpets Inside Mosque



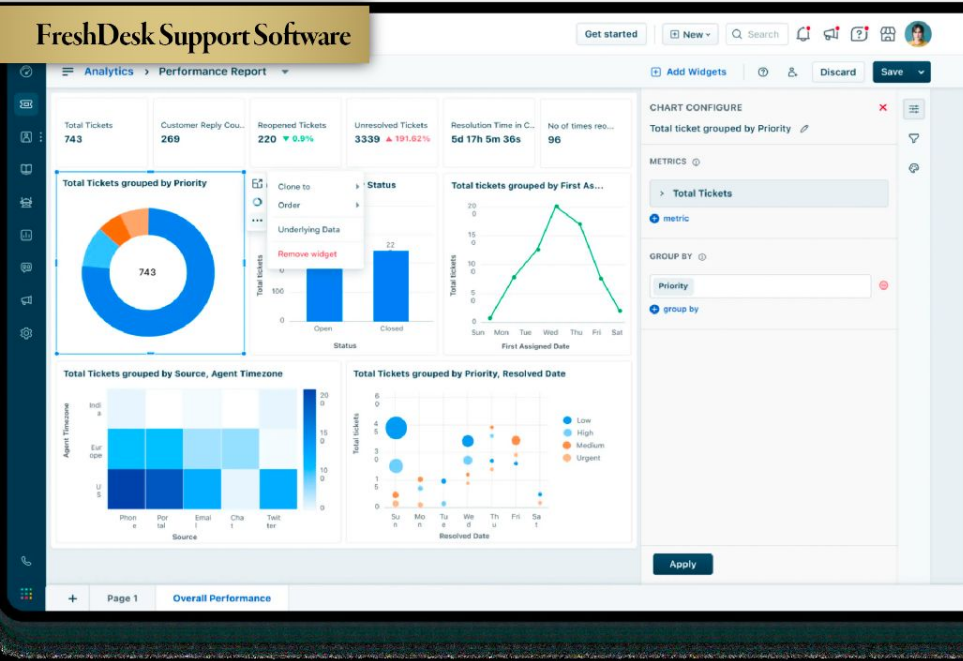
JAMI MOSQUE



YELLOWKNIFE

Community Relations

FreshDesk Support Software



Grasshopper Phone System





Thank You

Quorum Confirmation

Approval of Agenda



The Agenda is as follows



1. Opening Du'a
2. Welcome and Housekeeping
3. Program
4. Quorum confirmation
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6. Approval of past AGM Minutes
7. Approval of Audited Financial Statements
8. Approval of Nominations and Elections Committee Members
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12. Conclusion and closing Du'a



Approval of Agenda



- Any questions on the Agenda? (please leave any other questions for the Q&A)
- Motion to approve the amended agenda

Approval of past AGM Minutes



Approval of Past AGM Minutes



- Any questions regarding the minutes? (please leave any other questions for the Q&A)
- Motion to approve 2019 ISNA Canada Annual General Meeting Minutes
- Motion to approve 2020 ISNA Canada Annual General Meeting Minutes
- Motion to approve 2021 ISNA Canada Annual General Meeting Minutes
- Motion to approve 2022 ISNA Canada Annual General Meeting Minutes
- Motion to approve 2023 ISNA Canada Annual General Meeting Minutes

Approval of Audited Financial Statements

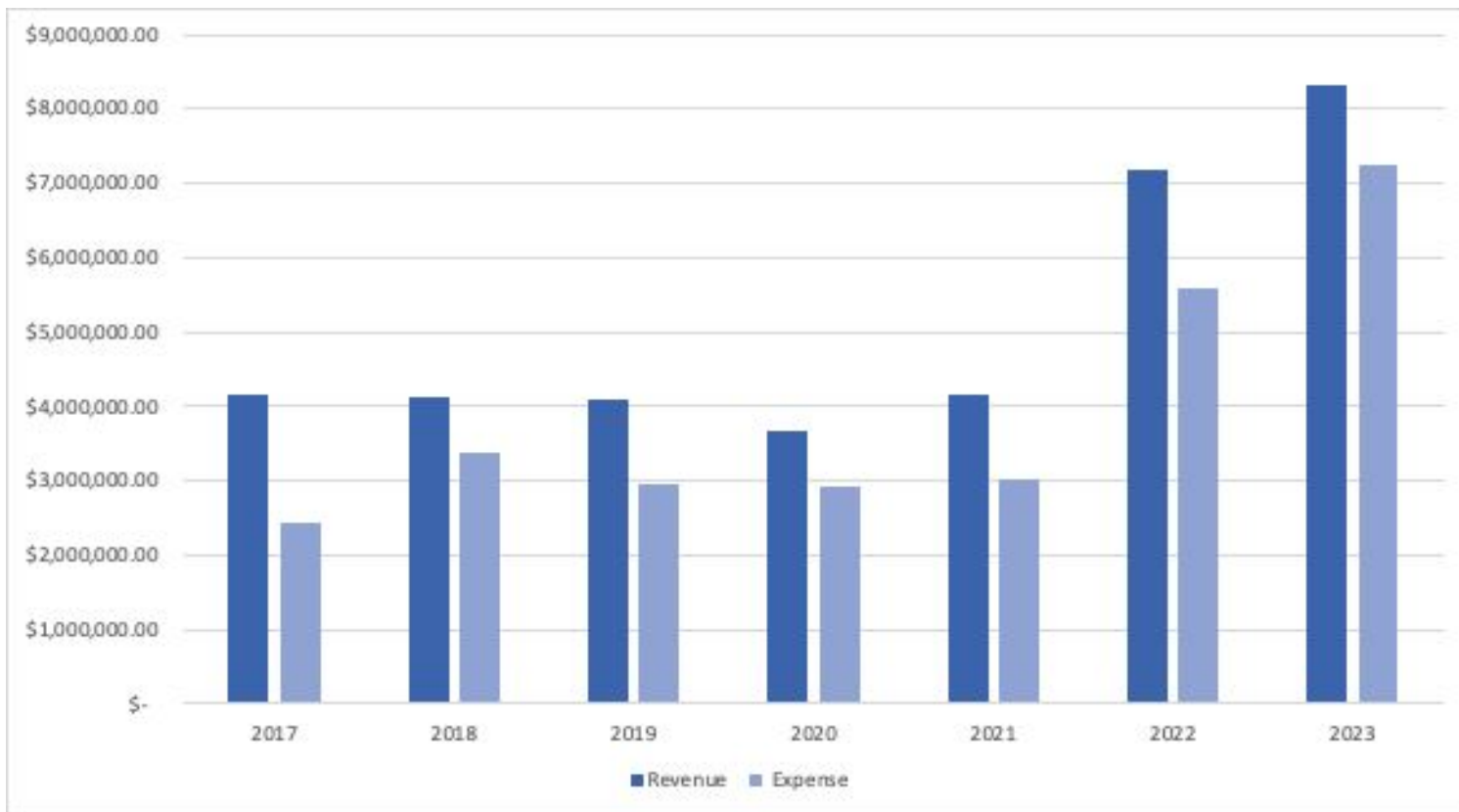


Approval of Audited Financial Statements



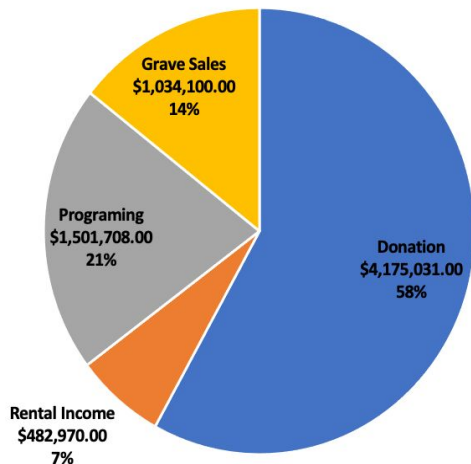
- Any questions on the Audited Financial Statements? (please leave any other questions for the Q&A)
- The Board recommends to approve the 2023 Audited Financial Statements
- Motion to approve the 2023 Audited Financial Statements

Our Financials

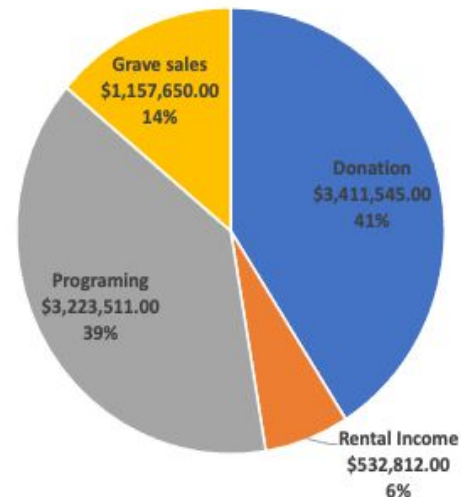


Our Financials – Revenue Breakdown

2022



2023



Approval of Auditor for 2024

Approval of Auditor for 2024

- The Board recommends Grant Thornton as ISNA Canada's auditor for the 2024 financial year
- Any questions on the proposed Auditor? (please leave any other questions for the Q&A)
- Motion to approve Grant Thornton as ISNA Canada's auditor for the 2024 financial year




Grant Thornton

Approval of Nomination and Elections Committee



Recommended for Nomination and Elections Committee (NEC)

The Board recommends the following 5 individuals as members of the Nominations and Elections Committee for the next election cycle.

- Fezal Ackburally
 - Shahnaz Kashem
 - Farah Khan
 - Ibrahim Afaneh
 - Younas Abbas
- 



Recommended Nomination and Elections Committee members

Motion to Approve Fezal Ackburally as a member of the Nominations and Elections Committee.

Fezal Ackburally

- *Project Manager*
- *PhD in Information Security*
- *Volunteers in Islamic and secular institutions*
- *Volunteered in last four year's election committees*
- *Experience on ISNA Canada Nominations and Elections Committee*



Recommended Nomination and Elections Committee members

Motion to Approve Shahnaz Kashem as a member of the Nominations and Elections Committee.

Shahnaz Kashem

- *Accounting, Auditing & Compliance Experience*
- *Previous experience with election committees including ISNA Canada*
- *Long time dedicated volunteer and member of ISNA Canada and ISNA Continental*
- *Passionate about philanthropy, focused on helping disabled and underprivileged youth and women*



Recommended Nomination and Elections Committee members

Motion to Approve Farah Khan as a member of the Nominations and Elections Committee.

Farah Khan

- *Extensive experience in the humanitarian and philanthropic sector including as founder.*
- *Business owner and entrepreneur*
- *Active supporter, fundraiser, and volunteer in development for ISNA Canada for over 20 years.*
- *Committed to growing and developing ISNA Canada as a leading Islamic Institution.*



Recommended Nomination and Elections Committee members

Motion to Approve Ibrahim Afaneh as a member of the Nominations and Elections Committee.

Ibrahim Afaneh

- *Computer Engineer with expertise in Financial Services, focusing on Anti-Money Laundering and Counter-Terrorism Financing.*
- *Entrepreneur and business specialist.*
- *advocate of supporting communities*
- *Senior Consultant IT, Financial Services*

Recommended Nomination and Elections Committee members

Motion to Approve Younas Abbas as a member of the Nominations and Elections Committee.

Younas Abbas

- *Information Technology and Cloud computing transformation enthusiast.*
- *Director IT Data | Security*
- *Visiting faculty Conestoga College*
- *Member IEEE*
- *Former Vice chair IEEE C16 Computer Chapter Toronto region*
- *Active participant in sports like badminton, cricket, riding.*
- *Volunteering for Masajid in various programs and activities.*

Confirmation of Sr. Qadija Yusuf as a Director

Confirmation of Sr. Qadija Yusuf as a Director

Sr. Qadija Yusuf



Qadija Yusuf has been a part of the ISNA Community for over ten years. She has served as a board member from 2021 to 2024 and has taken many courses to prepare herself as a director such as "Effective Board Governance", "Efficient Board Operations", "Finance Training for Board Members", and "Strategic Planning and the NFP Board". She works as a Forensic Analytical Toxicologist at the Centre of Forensic Sciences. She completed her undergraduate degree in Forensic Chemistry at the University of Toronto - Mississauga and a Masters of Science in Chemistry at York University.

Over the years, she has been involved with various programs and initiatives at ISNA Canada. Previously, she has volunteered with the ISNA weekend school, Ramadan program, ISNA Convention, ISNA Foodbank, and ISNA Youth. Her interests are in Islamic education and youth initiatives.



Confirmation of Sr. Qadija as a Director



- The Board recommends to approve Sr. Qadija Yusuf as a Director of ISNA Canada
- Any questions regarding Sr. Qadija? (please leave any other questions for the Q&A)
- Motion to approve Sr. Qadija Yusuf as a Director of ISNA Canada.

Q&A

**To Submit A Question - Please Visit
isnacanada.com/agmquestions**

Conclusion and closing Du'a



Jazakallahu Khairan

APPENDIX B



Grant Thornton

Financial Statements

Islamic Society of North America - Canada
(ISNA - Canada)

December 31, 2023

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Statement of Revenue and Expenses	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 – 11

Independent Auditor's Report

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To the Members of
Islamic Society of North America Canada (ISNA - Canada)

Qualified opinion

We have audited the financial statements of Islamic Society of North America - Canada (ISNA - Canada) (the "Organization"), which comprise the statement of financial position as at December 31, 2023, and the statements of revenue and expenses, changes in net assets 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* paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2023, and the results of its operations and its 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 donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donations, excess of revenue over expenses, and cash flows from operations for the years ended December 31, 2023 and 2022, current assets at December 31, 2023 and 2022, and fund balances as at January 1 and December 31 for both the 2023 and 2022 years. Our audit opinion on the financial statements for the year ended December 31, 2022 was modified accordingly because of the possible effects of this scope limitation.

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 the 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 opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these 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 a 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.

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.

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Mississauga, Canada
June 23, 2024

Chartered Professional Accountants
Licensed Public Accountants

Islamic Society of North America - Canada (ISNA - Canada)

Statement of Financial Position

December 31

2023

2022

Assets

Current

Cash	\$ 2,211,982	\$ 2,112,223
Accounts receivable	243,882	324,752
HST receivable	248,152	160,964
Cemetery properties	402,323	1,060,304
Prepaid expenses	-	27,488
Security deposit	35,500	35,500

3,141,839 3,721,231

Property and equipment (Note 3) 16,160,564 14,740,282

\$ 19,302,403 \$ 18,461,513

Liabilities

Current

Accounts payable and accrued liabilities	\$ 474,947	\$ 173,583
Property loan payable (Note 4)	1,000,000	1,000,000

1,474,947 1,173,583

Property loan payable (Note 4) 1,777,727 2,634,177

Deferred capital contributions (Note 5) 857,483 529,555

4,110,157 4,337,315

Net assets

General fund	1,666,892	2,547,648
Capital fund	12,525,354	10,576,550
Emergency operating fund	1,000,000	1,000,000

15,192,246 14,124,198

\$ 19,302,403 \$ 18,461,513

On behalf of the Board of Directors



Director

Mostafa Soliman



Director

Absal Abdulhafedh

See accompanying notes to the financial statements.

Islamic Society of North America - Canada (ISNA - Canada)

Statement of Revenue and Expenses

Year ended December 31

2023

2022

Revenue

Donations	\$ 3,411,545	\$ 3,361,750
Programs and services	3,223,511	2,304,989
Grave sales	1,157,650	1,034,100
Rental income	532,812	482,970
Government assistance	-	10,000
	<u>8,325,518</u>	<u>7,193,809</u>

Expenses

Salaries and wages	2,311,212	1,664,787
Programs and services	2,204,214	1,447,643
Grave costs	657,981	631,130
Amortization	639,064	588,894
Repairs and maintenance	328,699	310,128
Office and general	273,607	168,673
Bank charges and other fees	261,715	289,942
Insurance	171,122	106,172
Utilities	145,300	130,917
Professional fees	124,832	150,456
Outreach expenses	71,293	-
Communications	47,328	72,966
Property taxes	21,103	19,845
	<u>7,257,470</u>	<u>5,581,553</u>

Excess of revenue over expenses

\$ 1,068,048 \$ 1,612,256

See accompanying notes to the financial statements.

Islamic Society of North America - Canada (ISNA - Canada)

Statement of Changes in Net Assets

Year ended December 31, 2023

	General Fund	Capital Fund	Emergency Operating Fund	Total 2023	Total 2022
Net assets, beginning of year	\$ 2,547,648	\$ 10,576,550	\$ 1,000,000	\$ 14,124,198	\$ 12,511,942
Excess (deficiency) of revenue over expenses	1,707,112	(639,064)	-	1,068,048	1,612,256
Repayment of property loan payable	(856,450)	856,450	-	-	-
Funding received for property and equipment	327,928	(327,928)	-	-	-
Purchase of property and equipment	<u>(2,059,346)</u>	<u>2,059,346</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ 1,666,892</u>	<u>\$ 12,525,354</u>	<u>\$ 1,000,000</u>	<u>\$ 15,192,246</u>	<u>\$ 14,124,198</u>

See accompanying notes to the financial statements.

Islamic Society of North America - Canada (ISNA - Canada)

Statement of Cash Flows

Year ended December 31

2023

2022

Cash flows provided by (used in)

Operating

Excess of revenue over expenses	\$ 1,068,048	\$ 1,612,256
Items not involving cash		
Forgivable portion of the CEBA loan payable	-	(10,000)
Amortization	639,064	588,894
Imputed interest on property loan payable	143,550	176,095

1,850,662 2,367,245

Change in non-cash working capital items

Accounts receivable	80,870	(39,223)
HST receivable	(87,188)	(76,533)
Prepaid	27,488	(27,488)
Cemetery properties	657,981	623,974
Accounts payable and accrued liabilities	301,364	(82,353)

2,831,177 2,765,622

Investing

Purchase of property and equipment	(2,059,346)	(1,967,683)
Deferred capital contributions received	327,928	529,555

(1,731,418) (1,438,128)

Financing

Repayment of property loan payable	(1,000,000)	(1,000,000)
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Increase in cash **99,759** 327,494

Cash, beginning of year **2,112,223** 1,784,729

Cash, end of year **\$ 2,211,982** \$ 2,112,223

See accompanying notes to the financial statements.

Islamic Society of North America Canada (ISNA – Canada)

Notes to the Financial Statements

December 31, 2023

1. Purpose of the organization

Islamic Society of North America - Canada (ISNA - Canada) (the "Organization") is a not-for-profit organization incorporated on September 13, 1982 through letters of patent under the Minister of Consumer and Corporate Affairs, and continued federally under the Canada Not-for-Profit Corporations Act since October 16, 2014. The Organization is a registered charity and is exempt from the payment of income taxes under the Income Tax Act.

The Organization's principal purpose is to build Islamic centers, mosques, and Islamic schools, facilitate daily prayers, hold annual conventions and conferences, seminars and workshops propagating Islam for better understanding between Muslims and non-Muslims in Canada, provide Muslim burial services, provide Islamic programming, Halal certification and provide community social assistance to relieve poverty.

2. Summary of significant accounting policies

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). ASNPO requires entities to select policies appropriate for their circumstances from policies provided in these standards. The significant accounting policies selected by the Organization and applied in these financial statements are summarized below. Note that all accounting policies applied are consistent in nature with prior years.

Funds

The accounts are maintained whereby net assets of the Organization are classified for accounting and reporting purposes into funds to be used as determined by the Organization.

General Fund

The General Fund reflects all general programs and activities, other than those activities listed below.

Capital Fund

The Capital Fund reflects the assets, liabilities, revenue and expenses related to the Organization's property and equipment.

Emergency Operating Fund

The Emergency Operating Fund consists of funds set aside by the Board of Directors (the "Board") to fund operations if revenue or expenses are adversely impacted in the near future.

Financial instruments

The Organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument. The Organization's financial instruments are comprised of cash, accounts receivable, accounts payable, and property loan payable.

Financial assets and liabilities are initially recorded at its fair value. The Organization subsequently measures all its financial assets and liabilities at amortized cost. For financial assets measured at cost or amortized cost, the Organization regularly assesses whether there are any indicators of impairment. Any impairment loss is recognized in the statement of revenue and expenses.

Islamic Society of North America Canada (ISNA – Canada)

Notes to the Financial Statements

December 31, 2023

2. Summary of significant accounting policies (continued)

Revenue recognition

The Organization follows the deferral method of accounting for externally restricted contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Externally restricted contributions received for the purchase of capital assets are recorded as deferred capital contributions and recognized as revenue on the same basis as the amortization of the related asset. Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Programs and services are recognized in the period that the programs occur, or the services are rendered. Rental income is recognized over the term of the rental.

Contributed materials and services

Contributed materials are recognized in revenue if the fair market value is reasonably determinable and the good would otherwise be purchased as part of normal operations of the Organization. Volunteers contribute a substantial number of hours each year to assist the Organization in carrying out its mission. Because of the difficulty in determining the fair market value, contributed services are not recognized in the financial statements.

Cemetery properties

Cemetery properties consist of land and land development costs incurred attributable to specific grave lots. These costs are expensed when the grave lots are sold.

Property and equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis as follows:

Buildings	25 years
Leasehold improvements	10 years
Furniture and fixtures	5 years
Motor vehicles	3 years

Property and equipment are tested for impairment when events or changes in circumstances indicate that an asset might be impaired. The assets are tested for impairment by comparing the net carrying value to their fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported in the statement of revenue and expenses. Any impairment recognized is not reversed.

Islamic Society of North America Canada (ISNA – Canada)

Notes to the Financial Statements

December 31, 2023

2. Summary of significant accounting policies (continued)

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Management's estimates relate to the allowance for doubtful accounts, estimated useful lives of property and equipment, estimated rate of interest for discounting property loan payable and certain accruals.

These estimates are reviewed periodically and adjustments are made to the excess of revenue over expenses as appropriate in the year they become known.

3. Property and equipment

			2023	2022
	<u>Cost</u>	<u>Accumulated Amortization</u>	Net Book Value	<u>Net Book Value</u>
Land	\$ 1,752,544	\$ -	\$ 1,752,544	\$ 1,752,544
Buildings	17,448,950	3,983,730	13,465,220	12,498,495
Leasehold improvements	924,144	106,899	817,245	359,475
Furniture and fixtures	232,475	106,920	125,555	129,768
Motor vehicles	<u>24,369</u>	<u>24,369</u>	<u>-</u>	<u>-</u>
	\$ 20,382,482	\$ 4,221,918	\$ 16,160,564	\$ 14,740,282

Included in buildings is \$3,966,989 (2022 - \$2,460,986) of assets that are not yet in use and thus, amortization will not commence until the asset is in use.

Islamic Society of North America Canada (ISNA – Canada)

Notes to the Financial Statements

December 31, 2023

4. Property loan payable

	<u>2023</u>	<u>2022</u>
Loan with the Islamic Co-operative Housing Corporation Ltd. (IHC), secured by the land and building at 2200 South Sheridan Way, Mississauga, Ontario, non-interest bearing, payable in annual installments of \$1,000,000 due on the 31st of December of each year.	\$ 3,000,000	\$ 4,000,000
Less: present value discount of 3.95%	<u>(222,273)</u>	<u>(365,823)</u>
	2,777,727	3,634,177
Less: current portion	<u>1,000,000</u>	<u>1,000,000</u>
	<u>\$ 1,777,727</u>	<u>\$ 2,634,177</u>

Minimum principal repayments over the next three fiscal years are as follows:

2024	1,000,000
2025	1,000,000
2026	1,000,000

Included in bank charges and other fees is \$143,550 (2022 - \$176,094) of imputed interest on the property loan payable.

5. Deferred capital contributions

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 529,555	\$ -
Deferred capital contributions received	<u>327,928</u>	<u>529,555</u>
Balance, end of year	<u>\$ 857,483</u>	<u>\$ 529,555</u>

Deferred capital contributions above relate to externally restricted contributions received for the construction of the Yellowknife project (Masjid) and improvement of the Youth Hub in Mississauga and will be recognized as revenue on the same basis as the amortization of the related assets once the projects are completed and assets are in use.

Islamic Society of North America Canada (ISNA – Canada)

Notes to the Financial Statements

December 31, 2023

6. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments. It is management's opinion that the Organization is not exposed to significant currency and other price risks arising from its financial instruments. The risks are consistent with those from prior year.

Credit risk

Credit risk is the risk of financial loss occurring as a result of a counter party to a financial instrument failing to discharge an obligation or commitment that it has entered into with the Organization. The Organization's main credit risks relate to its accounts receivable.

The Organization reduces its exposure to credit risk by ensuring that it reviews the credit history of new customers before contracting with them, conducts regularly reviews of customers' credit performance and creates an allowance for doubtful accounts when appropriate. As at December 31, 2023, the allowance for doubtful accounts is \$Nil (2022 - \$Nil).

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with its financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and property loan payable.

The Organization manages its liquidity risk by forecasting cash flows from operations, investing and financing activities to ensure that it has sufficient funds available to meet current and foreseeable financial obligations.

Interest rate risk

Interest rate price risk is the risk that the fair value of an interest-bearing financial instrument will fluctuate due to changes in market interest rates. The Organization's exposure to interest rate price risk is limited to its fixed non-interest-bearing property loan payable.

7. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.