



ISNA CANADA

IMPACT REPORT 2017



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FOREWORD

Assalamu alaikum wa rahmatullah wa barakatuhu,

I am pleased to present to you the 2017 ISNA Canada Impact Report, our annual report on achievements, organizational progress and community impact.

We give thanks to the hard work of previous boards, who have endeavoured to help ISNA Canada tackle the issues raised in the 2009 audit by the Canada Revenue Agency (CRA). While we are still awaiting the results of that process, we can confidently say that all issues raised in the audit process have been addressed. This year, we are entering a new phase of re-building ISNA Canada as a national organization. An organization in which its masjid represent their congregations as well-governed, well-managed institutions; in which programs and services respond to the needs of their local community; and in which youth, women, seniors, and the disabled find an inclusive space in congregations that have been traditionally predominantly male.

While across Canada mosque communities are challenged to respond to the needs of their congregations, there remain issues that transcend local communities: settlement of immigrants, anti-Muslim racism, and building relationships with the wider society, be it interfaith, civic groups or political realms. ISNA Canada is well placed as an historically national organization since 1982, with its roots in the Muslim Student Association founded in 1963, to work in solidarity with other Muslim organizations to give voice to

Muslim needs and challenges on the national stage. In this way, we can also contribute to the betterment of the wider Canadian society, by sharing Islamic values such as modesty, integrity, and equity.

All of this is made possible, by the grace of Allah (SWT), with an energetic board and dedicated staff, willing to spend many hours updating by-laws, policies, procedures, and developing strategic planning processes. Both the board and staff are committed to giving their best to see ISNA Canada flourish.

This past year, we encountered the unfortunate loss of charitable status of the Canadian Islamic Trust Foundation (CITF), in which ISNA Canada properties were held in trust. This meant all properties were transferred under the operational oversight of ISNA Canada. As a result, the Islamic Centre of Yellowknife (ICYK) and Jami Mosque (Toronto) have been incorporated as programs of ISNA Canada. We are optimistic about this operational change and look forward to supporting these community hubs in a new capacity.

In December 2017, we welcomed a new Executive Director, Taha Ghayyur, who came to us with decades of community experience in Sound Vision, DawaNet, MuslimFest and Burma Task Force. Brother Taha is now cast into the position of overseeing the whirlwind of daily activities that come to ISNA Canada's head office in Mississauga.



Our beloved Shaykh Abdalla Idris Ali, our previous Executive Director and a member of ISNA Canada and active worker in various capacities since the 1970s, has moved to a new position as National Director of Community Outreach and Religion. He continues his dedication in assisting people to overcome their challenges, as well as working on re-building ISNA Canada as a national organization. We thank him for his service and continued commitment to ISNA Canada in his new position.

This past January, ISNA Canada made history with the election of a new board for the 2018-2020 term that included the first female President and Vice-President, and a board in which three out of seven members are women and three out of seven members are converts. In continuing an organizational tradition, which has always made us unique amongst other national organizations, the new board is ethnically diverse with members from Australian, Nigerians, Moroccan, Pakistani and South Asian heritage. The new board also possesses a diversity of skills, from academia, law, engineering and business. The response from the community regarding the new board has been overwhelmingly positive,

and we pray that Allah (SWT) guides us and makes these things to announce worthy of such proclamations.

Finally, we thank the members, supporters and volunteers of ISNA Canada. It goes without saying that there would be no ISNA Canada if it were not for the continuous dedication and support of its members, supporters and volunteers. As Dr. Syed Imtiaz Ahmad, previous President of ISNA Canada, mentioned in his foreword in the 2016 Annual Report, if it weren't for the dedication of hundreds of volunteers, our small staff would never be able to implement as many programs and services as we offer. The 2017 Impact Report is a testament to this and we invite you to read further and join us in recognizing and celebrating our many accomplishments. Your continued support is truly a gift to us, and we pray that Allah (SWT) bless you all with abundance in this life and in the next.

Sincerely,

Dr. Katherine Bullock
President, ISNA Canada

COMMUNITY IMPACT IN 2017

Food Bank:

- Distributed food to **8,647 families** (21% increase from 2016)
- Served **5,500 meals** in community kitchen
- **390,456 lbs** of food items distributed

Over 700 members, across 9 provinces and territories

\$510,984 in financial assistance disbursed through the Food Bank, zakat and fitra.

Counselling services provided to **92 clients**, individuals and families.

Over 500 dedicated volunteers, in 20 projects and teams

Weekly Jummah Attendance

- Islamic Centre of Yellowknife (ICYK) **110 attendees**
- Jami Mosque (Toronto) **300 attendees**
- Islamic Centre of Canada (ICC) **2,500 attendees**

NATIONWIDE ACTIVITIES

OVERVIEW

For decades, ISNA Canada has worked at the national and local community level to meet its mission - to enable Muslims to live their faith by building a vibrant and Islamic way of life in Canada and serving the needs of Muslim communities.

Through our three centres and masajid, the Islamic Centre of Yellowknife (ICYK), Jami Mosque (Toronto) and the Islamic Centre of Canada (Mississauga), we are able to offer Canadian Muslims a significant range of integral social and religious support programs and services, provide responsible leadership to the community, and foster healthy spiritual and community development.

The Islamic Centre of Yellowknife serves a Muslim community of 600 individuals. There are currently plans for the centre's expansion to accommodate Friday congregations and other activities to cater to the needs of Muslim families. The ICYK community envisions a centre with facilities for prayers, education, outreach, interfaith, dawah, and other community social activities such as celebrations, weddings, and funerals.

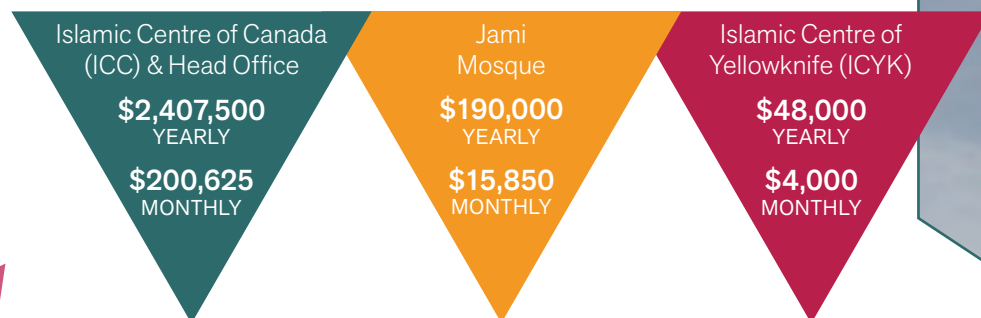
Jami Mosque is the oldest existing mosque and Islamic centre in Toronto. Dubbed "the mother

of all mosques in Toronto", it is where pioneering imams, scholars, and leaders of the Greater Toronto Area (GTA) used to teach, lead, and connect for decades. Initially built as a church in 1910, the building was purchased in 1969 by Toronto's Muslim community and converted into a Muslim place of worship. Jami Mosque continues to be a beloved institution by its local and extremely diverse Muslim congregants and the wider Toronto community at large.

The ICC, founded in 1996, currently houses the ISNA Canada headquarters, mosque and numerous programs and services. Senior administration and staff at the ISNA Canada headquarters provide support to the Board of Directors, oversee the implementation of the strategic plan, coordinate membership nationwide and engage in national outreach.

ISNA Canada's centres, programs and services are driven by the needs of Canadian Muslims and supported by hundreds of dedicated volunteers and generous contributions of donors and sponsors.

OPERATIONAL EXPENSES



ANNUAL CONVENTION & GALA

The annual convention provides a vital service to the community and serves as a gathering for members from across Canada, a platform for community members, businesses and other organizations to connect with one another, a vehicle for dawah, and an organizational outreach opportunity. The convention also presents an opportunity for youth leadership development, both in leading areas of the convention and in mentoring youth in volunteer positions and leadership roles.

The 43rd annual convention was held on October 20 - 22, 2017 at the ICC. In the past, the annual convention has been held during the Victoria Day long weekend in May. However, due to Ramadan beginning in May, a unique opportunity was presented for the convention to be held in October instead.

The theme of the 2017 convention was Unity in Diversity: Towards Inclusive Communities. World-renowned scholars and speakers from the UK, US and Canada were invited to elevate the discussion on what it means to move our communities towards unity, without uniformity, and diversity, without division. Distinguished speakers included Hamza Tzortzis, Ustadh Abdelrahman Murphy, Dr. Jamal Badawi, Imam Mohamed Magid, Dr. Katherine Bullock, Azhar Azeez, Safaa Zarzour, Imam Yasin Dwyer and many more.

Special features of the weekend included a youth convention hosted by Muslim Youth of North America (MYNA) and Muslim Inter-Scholastic Tournament (MIST), American Sign Language (ASL) interpretation for the deaf and hard of hearing, a children's program and a com-



munity bazaar. The youth convention included a performance by Mustaqeem and talent show.

During the convention weekend, the first annual Gala was held on October 20, 2017 as a tribute to community service and celebration of community leaders. Community Service and Leadership Awards were bestowed upon Shaykh Abdalla Idris Ali, Dr. Farouk Abdul Ghany and MP Sven Spengemann (Mississauga Lakeshore-Clarkson). The evening was attended by esteemed guests and speakers and a performance by Sham Limelights.

The Gala showcased organizational accomplishments and engaged the community in making financial contributions to sustain the essential programs and services ISNA Canada provides Muslims in Canada.

HALAL CERTIFICATION SERVICES

Our Halal Certification Services (HCS) continue to provide services to many Canadian & US business sectors such as meat slaughter houses, retail meat products, processed meat products, non-meat processed foods, pharmaceuticals, nutraceuticals, food supplements, grain & pulses, chemicals, cosmetics, beverages, dairy including ice crème & yogurt, eggs, confectionaries, bakery items, oils, packaging, and other non-food products.

HCS certifies products by manufacturers in Canada and the USA and provides halal export certification for international markets. A growing number of private label customers of HCS clients also benefit from the international recognition and respect that our halal certification body receives.

In 2017, HCS served a total of 57 clients across Canada, the US and Turkey. In addition to the certification of products exported to the US, HCS certified exports to the UK, Singapore, Kuwait, UAE, and Saudi Arabia.

This past year, we initiated collaborative work with two other not for profit halal certification bodies, and provincial ministries dealing with food safety and animal welfare in Ontario and Alberta. HCS also launched its community engagement work through first time participation in the annual Toronto Halal Food Fest and presentations to food production students at the Toronto District School Board's Adult Learning Centre.



ZAKAT AND FITR

Each year, ISNA Canada disburses zakat funds to a number of deserving applicants, including many newcomers to Canada. Zakat funds are also used to provide various supplies for the Food Bank. Zakat-ul-fitr funds collected during Ramadan were disbursed through various registered relief organizations.

In 2017, a total of \$510,984 was collected and disbursed, an increase of 45% from the previous year.

IDB SCHOLARSHIP LOAN PROGRAMME

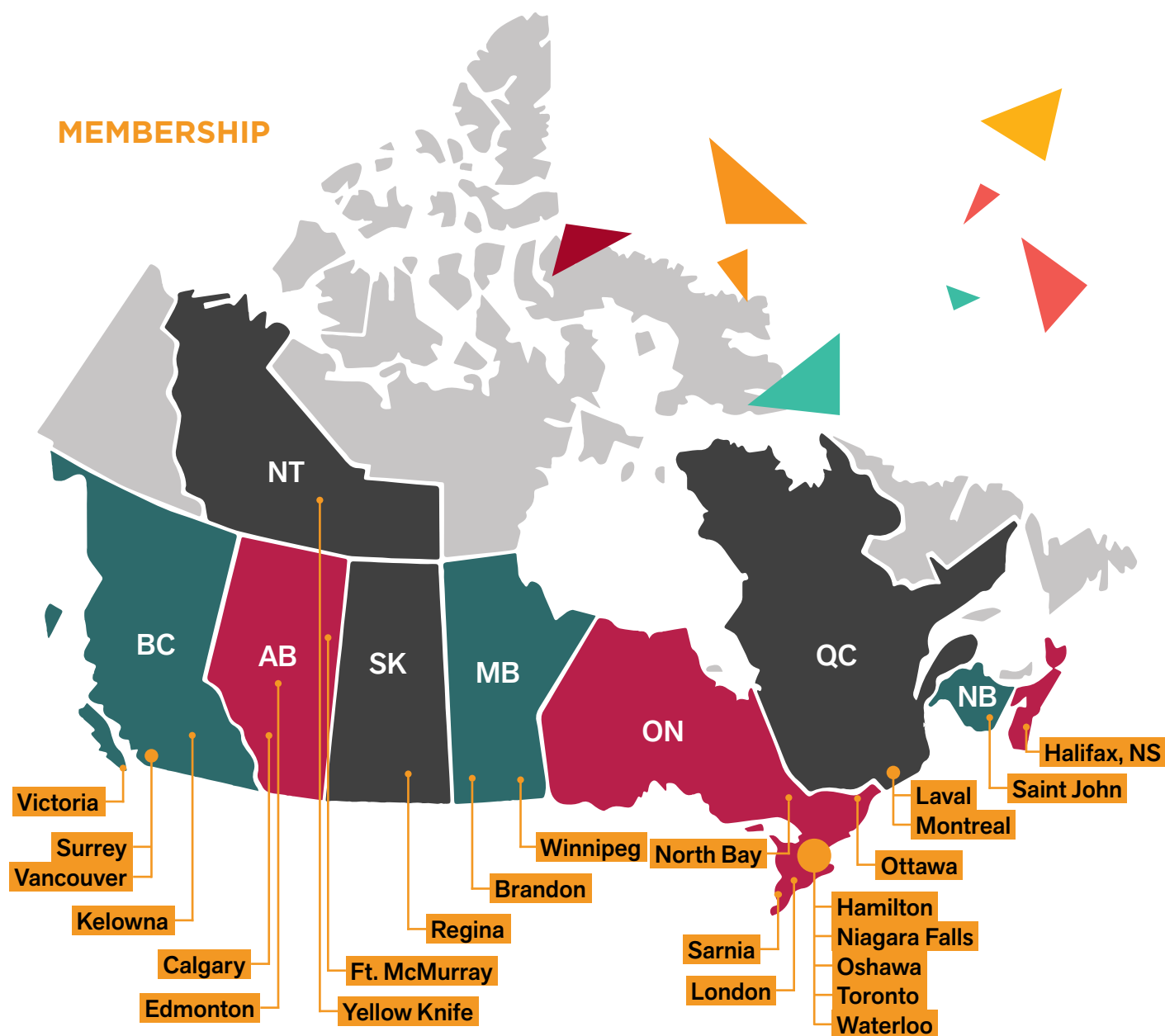
ISNA Canada, in partnership with the Islamic Development Bank (IDB) in Jeddah, Saudi Arabia, offers an undergraduate scholarship loan for students entering their first year in university in academic fields such as agriculture, engineering, computer science, dentistry, medicine and pharmacy. The scholarship loan is an interest free loan, or qard hasan, for undergraduate students disbursed throughout their undergraduate studies, for up to four years of study.

For the academic year 2017-2018, three new recipients were selected in the academic fields of dentistry, dental science and medicine. There were a eight student recipients who continued to receive scholarship payments in 2017. Since the program began in 1994, a total of 68 students have benefitted from this scholarship loan.

INTERFAITH INITIATIVES

We continue to focus on interfaith dialogue and the Islamic traditions of inclusivity, acceptance, compassion and understanding. Administration and imams are engaged in faith leader groups organized by local Members of Parliament (MPs), and initiatives on both the regional and municipal level. ISNA Canada is often invited to interfaith gatherings as one of the leading voices of Muslims in Ontario and Canada.

MEMBERSHIP



As a national organization, our membership reach continues to grow year by year. In 2017, the organization had a membership of over 700 individuals, spanning nine provinces and territories. The greatest concentration of members resides in the Greater Toronto Area, however our board and staff continue to develop strategies to broaden our reach and strengthen our engagement across the country.

Members of the organization enjoy benefits such as subscription to Islamic Horizons magazine, complimentary membership to ISNA (US), discounted rates for ISNA (US) and ISNA Canada annual conventions, and the right to vote in ISNA Canada elections.

VOLUNTEERS

Hundreds of volunteers support the organization's growing capacity needs and strengthen our ability to serve the community. Since 2011, ISNA Canada unified its volunteer management programs, building strategic relationships and putting in place various management programs for recruitment, training, and retention of volunteers.

We continue to build on the solid links established with community and professional organizations over decades. Our volunteers serve in various capacities and are an essential part of many teams, programs and services such as:

- Administration and Office Support
- Annual Convention
- Board of Directors
- Compass
- Donation Collection
- Family Socials and Eid events
- Food Bank
- Funeral Services
- ICC Youth
- ISNA Sisters
- Lanterns
- Mosque Activities (Halaqas, 'Itikaf, Mu'athins)
- Muslim Patient Services
- Muslim Youth of North America (MYNA)
- Parking
- Ramadan Services
- Summer Camp
- Singles Social
- Weekend School

Volunteers and their families generously contribute countless hours, energy, and skills to a wide



The heart of a volunteer is not measured in size, but by the depth in commitment to make a difference in the lives of others."

DeAnn Hollis

range of activities. To honor and recognize the integral value of our volunteers, we celebrate their contribution through special appreciation events held throughout the year.

At the 2017 annual volunteer appreciation event we recognized twenty deserving individuals through a special awards ceremony. Volunteers were nominated for their leadership by their own peers in five different awards categories - Young Volunteer, Emerging Leader, Community Leader, Social Innovator, and Lifelong Achievement- and presented with gifts and awards. Over 500 volunteers were invited to the event where attendees also participated in a variety of team-building games and activities.

Volunteers are the heart of our organization and we are grateful to them for devoting their time and effort in supporting ISNA Canada's many activities and programs.

ISLAMIC CENTRE OF CANADA (ICC)

The Islamic Centre of Canada (ICC) was founded in 1996 and has become an integral part of the Muslim community in the Greater Toronto Area (GTA), catering to the spiritual, social and recreational needs of youth and families.

The ICC currently houses ISNA Canada headquarters, the mosque, funeral services, the food bank, bookstore, Compass and other programs and services. The centre also houses ISNA High School and numerous independent local businesses.

Renovations, maintenance and upgrade activities occur throughout the year to ensure facilities are adequately maintained to meet the expanding needs of the community.



SERVICES

BOOKSTORE

The ISNA Bookstore offers books and audio on a full range of Islamic topics, Arabic and children's books, and modest clothing for men and women. The bookstore serves hundreds of people, with additional stalls on Fridays, at special events such as the annual convention, and during the month of Ramadan.

The bookstore increased its reach and customer base this past year by hosting new events such



as book launches and Meet the Author events. It also continues to assist in dawah initiatives by providing free copies of the Quran to non-Muslims and those we are inclined towards Islam.



COMPASS



In response to the increasing needs of the Muslim community, Compass was created in 2014 as a community information and resource centre that provides access to services in an informative, culturally sensitive and respectful environment. It is a community hub that provides direction and referrals to resources such as newcomer support, child and youth services, mental health services and senior support services.

In 2017, Compass engaged with partner organizations to offer seminars on mental health, employment programs and the Ontario Disability Support Program. Compass is looking to expand its services and capacity in the coming year to reach a greater number people and is in the process of recruiting volunteer supportive counsellors.



MARRIAGE SERVICES

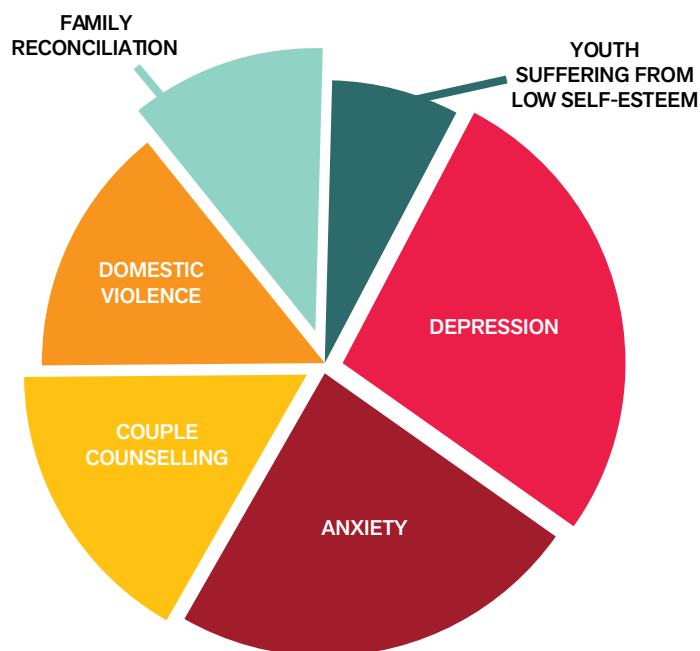
The ICC has become a popular venue to hold religious marriage ceremonies, nikah, and wedding receptions. The ICC mosque is frequently booked for nikah ceremonies, which are often performed by one of our imams. Currently, there are two imams at the ICC who are registered religious officials authorized to perform marriages in Ontario. Together, they perform approximately 55 marriage ceremonies on site and off site each month.



FAMILY COUNSELLING SERVICES

Many Muslims in the community seek assistance with issues such as family conflict, mental illness, anger management and grief and loss. However, the lack of knowledge of existing services and the stigma attached to seeking professional help often prevent those most in need from accessing such services.

Since 2015, free counselling and psychotherapy have been made available at the ICC for children, youth, adults and families of diverse backgrounds. Our Family Counsellor is trained in Cognitive Behavioural Therapy, Family Restructuring Therapy, Mental Health Diagnosis and Treatment, among others. Services and support are provided to clients in English, Bengali, Hindi, Urdu and Punjabi. The community has expressed overwhelming gratitude at the availability of professional counselling services at the ICC.



92 clients, individuals and families served in 2017

MUSLIM PATIENT SERVICES

In 1996, Muslim Patient Services was established to serve the needs of patients in hospitals in Mississauga, ON. At present, a team of nine dedicated volunteers, men and women, visit Muslim patients at Credit Valley and Trillium Hospitals.

This service is highly appreciated by patients, families and hospital staff. Volunteers speak

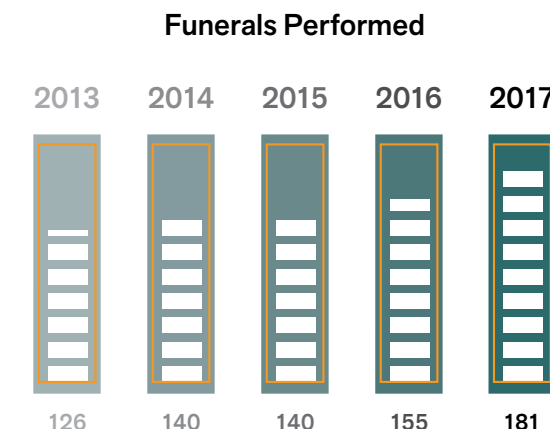
to patients about patience, hope, and the love and kindness of Allah (SWT) for the sick and suffering.

Literature and brochures have been developed and are made available to patients, focusing on coping with illness, preparing for surgery, palliative care, and information for hospital staff regarding Muslim patient needs.

FUNERAL SERVICES

The ICC's Funeral Services provide care and assistance to the deceased and their families in bereavement. The service includes transportation, storage, ghusl, burial and janaza prayer services. Additionally, burial plots can be purchased in three different locations across Brampton and Mississauga, Ontario.

Alongside two staff, a pool of 50 trained and specialized volunteers assists with these services. In 2017, the ICC served 181 deceased community members and we expect this number to increase with an aging population.

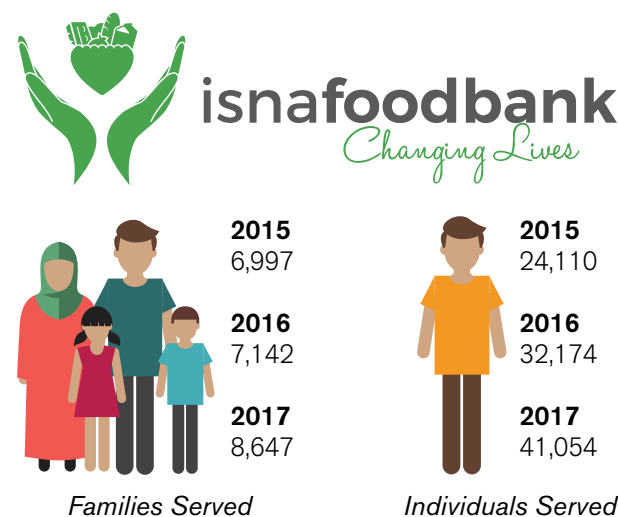


FOOD BANK

The ISNA Canada Food Bank provides food and assistance to thousands of needy families in the Greater Toronto Area (GTA). Programs include distribution of qurbani meat, Eid gift baskets, back-to-school packages and a monthly community kitchen. Managed by a team of dedicated volunteers, the food bank services its clients on the first Saturday of every month.

The past three years have seen a steady increase in the number of families and individuals served, and it is anticipated this number will continue to rise as more newcomers settle in the GTA.

The food bank continues to increase its capacity in fundraising and providing for the most vulnerable in our community. In 2017, the first annual walkathon was held in October 2017 to great success, in addition to two fundraising dinners.





EDUCATIONAL ACTIVITIES

SUMMER DAY CAMP

In 2017, the first Summer Day Camp was held at the ICC for children ages 6 to 14. The summer program received positive feedback from parents and student alike and is planned to be held again in 2018. Approximately 120 students enrolled in the summer camp in 2017.

SUNDAY EDUCATIONAL SEMINARS

Sunday Educational Seminars are held on the last Sunday of every month, and feature a different topic and guest speaker. Approximately 200 individuals attend each month to listen and

learn about a wide variety of religious and social topics such as mental health, Islamic finance, stress management, marriage in Islam, prophetic medicine and youth issues.

WEEKEND SCHOOL

The Weekend School continues to provide Arabic and Islamic Studies classes to children between the ages 5 to 18, every Sunday. Supported by part-time staff and volunteers, the Weekend School had a registration of approximately 120 students in 2017. The program continues to expand and evolve based on community demand and feedback.



MOSQUE ACTIVITIES

The mosque offers numerous programs that cater to the needs of Muslims in the surrounding community, including halaqas, seminars, and congregational prayers. On Fridays, the mosque hosts up to 2,500 congregants over two

prayers and an even larger number on Fridays that coincide with public or school holidays. The mosque regularly hosts numerous scholars and khateebis to lead congregational prayers and special halaqas.



HALAQAS

Regular weekly and monthly halaqas continue to be held at the mosque to cater to different audiences such as adults, youth, sisters and families. New halaqas and speakers are added from time to time in response to community feedback.

QURAN PROGRAM

The Quran Program serves approximately 170 students at various levels with three teachers and one volunteer.

Classes take place on weekdays and weekends and focus on all levels of Quranic recitation and memorization. Classes are designed to provide students with one-on-one time with a teacher and students are taught individually, independent of other students. The Quran Program provides accommodation for students with special needs

by being held in classrooms that are wheelchair accessible.

The annual Quran competition was held in January 2017 with over 100 participants from across the Greater Toronto Area and 350 guests in attendance.

In 2017, a new Quran class for women was initiated. Adult Quran classes for men and women continue to run with steady attendance.

RAMADAN AND EID

The holy month of Ramadan is the busiest month at the ICC, with about a thousand worshippers attending nightly taraweeh prayers. A dedicated committee of staff and volunteers is established annually to facilitate car parking, fundraising, iftar, 'itikaf, children and youth programs, volunteer management, and security.

The community received up-to-date information from our dedicated Ramadan website, through social media channels, and through live streaming of nightly prayers.

On both Eid Al Fitr and Eid Al Adha, the ICC offers three congregational prayers to accommodate the thousands of worshippers who come out for these joyous occasions.



VISITS AND TOURS

The ICC mosque receives requests for tours and presentations on Islam throughout the year from Catholic and private schools, public schools, churches, adult learning schools and various other organizations.

Students from ISNA High School are instrumental in leading presentations, discussions,

tours of the facility, and demonstrations of prayers and ablution for visiting schools. Presentations to churches and adult groups are often conducted by an imam.

On average, the mosque conducts 40 tours and presentations each year, with most tours occurring in March, April and November.

SOCIAL AND RECREATIONAL ACTIVITIES

As a vibrant community hub, the ICC hosts a variety of social and recreational activities for children, youth, adults and seniors. With a growing local Muslim population, there has been a spike in

demand for such programs. We continue to look for opportunities to expand current programs and accommodate different demographics and the changing needs of the community.

FAMILY EVENTS

The Family Events program has been running consistently for the past 9 years, hosting monthly family social events on the last Saturday of every month, organizing two Eid festivals and carnivals each year, and all other community social functions at the ICC. These events aim to bring together the community and provide a social atmosphere for families to make multicultural and intergenerational connections. The past few years have seen an increase in attendance by newcomers to Canada, and these social events have been crucial to their social and spiritual wellbeing and settlement in the country they now call home.

Some of the themed events held in 2017 include Family Barbeque and Bazaar, Canada 150 celebration, Family Games Night, Black History Month event and spiritual and health lectures.

Children and youth especially enjoy attending these events where they learn, play and grow in

an Islamic environment. A unique children's program runs in parallel to each event, featuring arts and crafts, games and martial arts.

Notable speakers at monthly family events and Eid festivals in 2017 include Mississauga Mayor Bonnie Crombie, MP Sven Spengemann, MP Iqra Khalid, Imam Yasin Dwyer, Dr. Ali Albarghouthi, Shaykh Abdalla Idris Ali and Shaykh Alaa Elsayed.



10 EVENTS EACH YEAR

50 Volunteers per event

4,000 plus Attendees

SINGLES SOCIAL

The Singles Social (formerly Matrimonial Mixer) event has become a much sought-after service for the community, serving individuals between the ages of 23 to 40 years of age who are seeking a marriage partner. The event features a unique program managed by young volunteers to facilitate the introduction of 70-90 singles. The event is held quarterly, in addition to a special picnic event held during the summer months.



SPORTS ACTIVITIES

The ICC continues to support a variety of community circles engaging in sports activities including seniors' badminton, youth basketball and volleyball and adult sisters' basketball.

Demand for organized sports activities for men and women has increased in the past year and administration continues to explore ways to support and accommodate different demographics.

YOUTH PROGRAMS

The ICC is seen as a community hub for youth, where they can socialize, spend time with family and friends and engage in both spiritual and recreational activities. ISNA Canada supports youth development by providing a safe space for growth, learning and mentorship through youth-led initiatives and group, and volunteering opportunities.

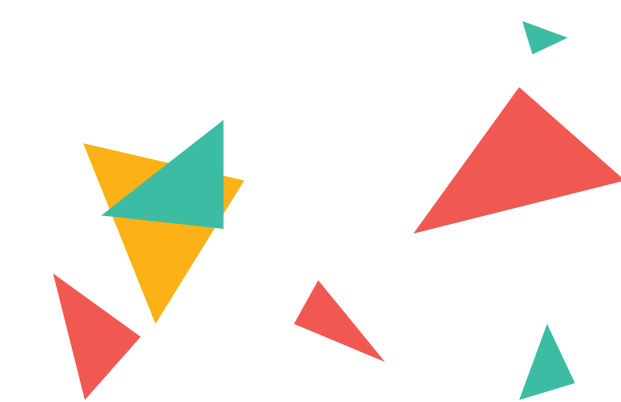


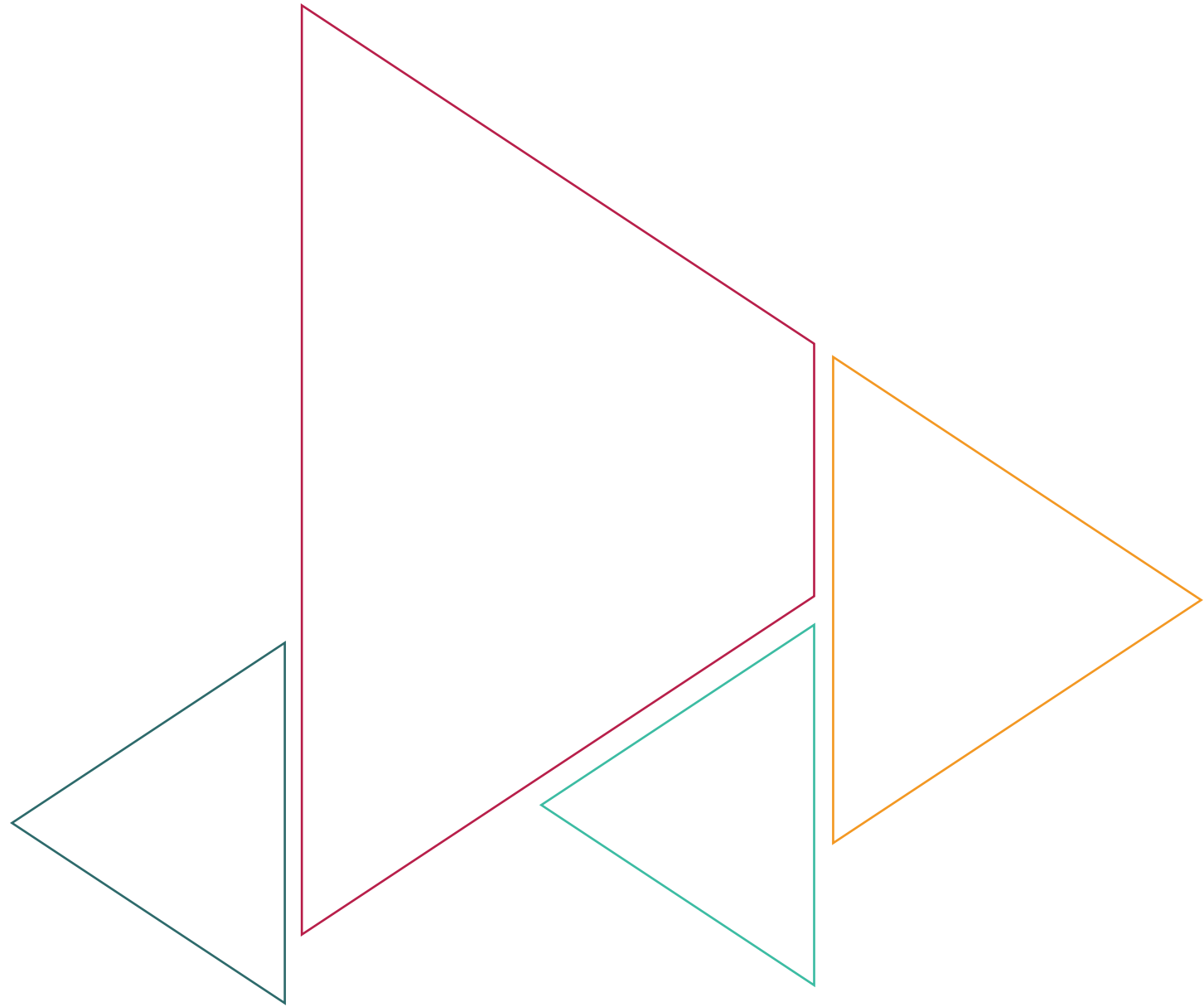
ICC YOUTH

The ICC Youth group organizes events and activities for elementary to high-school aged youth. In 2017, the group held volleyball tournaments, game nights, a youth barbeque and safe space gatherings called Under the Dome. The group also assisted in organizing a unique crash course for high school Muslim Student Associations (MSAs) on how to organize and run an MSA. Topics included minute-taking, mobilization and outreach, public speaking and khateeb training.

MUSLIM YOUTH OF NORTH AMERICA (MYNA) - TORONTO

As a department of ISNA Canada, MYNA continues to engage girls and boys between the ages of 12-18 in a variety of events. This past year, MYNA-Toronto co-hosted a special youth program at the annual convention, an Islamic Character Development retreat, and their annual and highly anticipated summer camp. Each year, the group also organizes a "Get to Know MYNA" dinner which also fundraises for their programs and events.





FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017



ISLAMIC SOCIETY OF NORTH AMERICA - CANADA
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INDEPENDENT AUDITOR'S REPORT

To the Members of Islamic Society of North America - Canada

We have audited the accompanying financial statements of Islamic Society of North America - Canada (ISNA), which comprise the statement of financial position as at December 31, 2017 and the statements of revenues and expenditures, 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 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 charitable organizations, ISNA derives a portion of its revenues from cash donations, the completion of which are not susceptible to complete audit verification. Accordingly, our verification of these revenues was limited to the amount recorded in ISNA records and we were not able to determine whether any adjustment might be necessary to this revenue, excess of revenue (inefficiency) over expenses, current assets and net assets.

ISNA does not amortize its assets which is a departure from Canadian accounting standards for not-for-profit organizations.

(continues)

ISLAMIC SOCIETY OF NORTH AMERICA - CANADA
Statement of Financial Position
December 31, 2017

Independent Auditor's Report to the Members of Islamic Society of North America - Canada (continued)

Qualified Opinion

In our opinion, except for the effect 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 Society of North America - Canada as at December 31, 2017 and result of its operations and fund balances and cash flows then ended in accordance with Canadian accounting standards for Not-for-Profit organizations.

Other Matter

The title of the property occupied by the organization is held by the Canadian Islamic Trust Foundation (CITF). CITF is the trustee and holds the property in trust for the Islamic Co-operative Housing Corporation Ltd. and the organization. Steps have been taken to register the property to the organization and this process is expected to be completed in 2018 as further outlined in note 14.

Rosenthal Pervez & Noor LLP

ROSENTHAL PERVEZ & NOOR LLP
 Chartered Professional Accountants
 Licensed Public Accountants

Oakville, Ontario
 May 16, 2018

	Total 2017	Total 2016
ASSETS		
CURRENT		
Cash in bank	\$ 1,012,988	\$ 2,156,062
Investments in IFHC	-	27,800
Rent receivable - ISNA School Board (Notes 4, 11)	-	350,000
Harmonized sales tax receivable	174,323	127,866
	<u>1,187,311</u>	<u>2,661,728</u>
GRAVE INVENTORY	1,908,764	1,219,367
PROPERTY AND EQUIPMENT (Note 5)	<u>10,953,728</u>	<u>10,185,728</u>
	<u>\$ 14,049,803</u>	<u>\$ 14,066,823</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	\$ 29,275	\$ 14,689
Grave deposits	-	23,150
Property loan payable - current portion (Note 7)	400,000	400,000
	<u>429,275</u>	<u>437,839</u>
PROPERTY LOAN PAYABLE (Note 7)	<u>3,357,000</u>	<u>5,557,000</u>
	<u>3,786,275</u>	<u>5,994,839</u>
NET ASSETS		
General Fund	3,066,799	3,843,255
Capital Fund	7,196,729	4,228,729
	<u>10,263,528</u>	<u>8,071,984</u>
	<u>\$ 14,049,803</u>	<u>\$ 14,066,823</u>

ON BEHALF OF THE BOARD

 Director

The accompanying summary of significant accounting policies and notes are an integral part of these statements

ISLAMIC SOCIETY OF NORTH AMERICA - CANADA
Statement of Revenues and Expenditures
Year Ended December 31, 2017

	General Fund 2017	Capital Fund 2017	Total 2017	Total 2016
REVENUES				
General donations	\$ 2,673,240	\$ -	\$ 2,673,240	\$ 2,125,285
Rental income (Note 11)	391,899	-	391,899	370,523
Convention income	53,957	-	53,957	52,378
Other revenues (Note 8)	1,045,771	-	1,045,771	500,288
Inkind transfer of Yellowknife property (Note 9)	-	468,000	468,000	-
	<u>4,164,867</u>	<u>468,000</u>	<u>4,632,867</u>	<u>3,048,474</u>
EXPENDITURES				
Program and services	886,064	-	886,064	817,991
Salaries and wages	747,464	-	747,464	695,111
Office and general	440,298	-	440,298	404,951
Utilities	86,565	-	86,565	84,204
Repairs and maintenance	85,296	-	85,296	76,276
ISNA annual convention	84,368	-	84,368	91,275
Professional fees	53,994	-	53,994	58,739
Travel	21,087	-	21,087	21,892
Insurance	13,342	-	13,342	14,350
Telephone and communication	12,165	-	12,165	13,487
Property taxes	10,680	-	10,680	10,109
	<u>2,441,323</u>	<u>-</u>	<u>2,441,323</u>	<u>2,288,385</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ 1,723,544	\$ 468,000	\$ 2,191,544	\$ 760,089

The accompanying summary of significant accounting policies and notes are an integral part of these statements

ISLAMIC SOCIETY OF NORTH AMERICA - CANADA
Statement of Changes in Net Assets
Year Ended December 31, 2017

	General Fund	Capital Fund	2017	2016
NET ASSETS - BEGINNING OF YEAR				
	\$ 3,843,255	\$ 4,228,729	\$ 8,071,984	\$ 7,368,457
Excess of revenues over expenditures	1,723,544	468,000	2,191,544	760,089
Interfund transfers (Note 10)	(2,500,000)	2,500,000	-	-
Prior period adjustments (Note 11)	-	-	-	(56,562)
NET ASSETS - END OF YEAR	\$ 3,066,799	\$ 7,196,729	\$ 10,263,528	\$ 8,071,984

The accompanying summary of significant accounting policies and notes are an integral part of these statements

ISLAMIC SOCIETY OF NORTH AMERICA - CANADA
Statement of Cash Flows
Year Ended December 31, 2017

	Total 2017	Total 2016
OPERATING ACTIVITIES		
Excess Of Revenues Over Expenditures	\$ 2,191,544	\$ 760,089
Items not affecting cash:		
Prior period adjustments (Note 11)	-	(56,562)
Inkind transfer of Yellowknife property (Note 9)	(468,000)	-
	<u>1,723,544</u>	<u>703,527</u>
Changes in non-cash working capital:		
Rent receivable - ISNA School Board	350,000	746,780
Accounts payable and accrued liabilities	14,586	(23,478)
Harmonized sales tax receivable	(46,457)	(64,355)
Grave deposits	(23,150)	(59,027)
	<u>294,979</u>	<u>599,920</u>
Cash flow from operating activities	<u>2,018,523</u>	<u>1,303,447</u>
INVESTING ACTIVITIES		
Investments in IFIC	27,800	102,500
Purchase of grave inventory	(689,397)	(325,168)
Purchase of property and equipment	(300,000)	(32,000)
Cash flow used by investing activities	<u>(961,597)</u>	<u>(254,668)</u>
FINANCING ACTIVITY		
Repayment of loan	(2,200,000)	(1,200,000)
DECREASE IN CASH FLOW	<u>(1,143,074)</u>	<u>(151,221)</u>
Cash - beginning of year	<u>2,156,062</u>	<u>2,307,283</u>
CASH - END OF YEAR	<u>\$ 1,012,988</u>	<u>\$ 2,156,062</u>

ISLAMIC SOCIETY OF NORTH AMERICA - CANADA
Notes to Financial Statements
Year Ended December 31, 2017

1. DESCRIPTION OF BUSINESS

Islamic Society of North America - Canada (the "organization" or ISNA) is a not-for-profit organization incorporated on September 26, 1983 under the Corporations Act of Ontario. The organization is a registered charity under the Income Tax Act and its income is exempt from income tax.

The organization's principal purpose is to build Islamic Centres, Mosque and Islamic Schools, hold Annual Conventions/Conferences, Seminars and Workshops propagating Islam for better understanding between Muslims & Non-Muslims in Canada and also providing community social assistance to relieve poverty

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. These financial statements are prepared on a going concern basis which contemplates the realization of assets and the settlement of liabilities in the normal course of operations.

Inventory

Inventory consists of graves purchased from cemeteries and is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Property, plant and equipment

Property, plant and equipment are stated at cost or deemed cost less accumulated amortization. It is the policy of the Management not to depreciate the organization's capital assets. Since depreciation is a non-cash expense and has no impact on the cash flow and income tax being a charity, the organization decided not to include the depreciation expense in the income statement.

Impairment of Long Lived Assets

The company tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

(continues)

The accompanying summary of significant accounting policies and notes are an integral part of these statements

ISLAMIC SOCIETY OF NORTH AMERICA - CANADA

Notes to Financial Statements
Year Ended December 31, 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. The significant areas requiring management's judgment related to the estimated useful lives of the property and equipment, estimates of fair value for donation-in-kind, estimated net realizable value of other assets and the recording of accrued liabilities. These estimates are reviewed periodically and as adjustments become necessary, they are reported in earnings in the period in which they become known.

Revenue recognition

Islamic Society of North America - Canada follows the restricted fund 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.

Revenue from general donations is recognized when received. Charitable donation receipts are provided when cash is received.

Revenue from all other sources is recognized when significant risks and rewards of ownership have been transferred and there are no significant obligations remaining, the sales price is fixed and determinable, persuasive evidence of an arrangement exists and collectibility is reasonably assured.

There is no revenue recognized in relation to voluntary services due to the difficulty in valuation.

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the company's risk exposure and concentration as of December 31, 2017.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from tenants for its commercial activities. In order to reduce its credit risk, the organization reviews a new tenant's credit history before extending credit and conducts regular reviews of its existing tenants' credit performance.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its donors, customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

(continues)

ISLAMIC SOCIETY OF NORTH AMERICA - CANADA

Notes to Financial Statements
Year Ended December 31, 2017

3. FINANCIAL INSTRUMENTS (continued)

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk and other price risk.

(d) Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The company is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in U.S. dollars. The company does not use derivative instruments to reduce its exposure to foreign currency risk.

(e) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the company manages exposure through its normal operating and financing activities. The organization does not deal with interest and thus does not have any interest rate risk exposure.

Unless otherwise noted, it is management's opinion that the company is not exposed to significant other price risks arising from these financial instruments.

4. DUE FROM ISNA SCHOOL BOARD

The organization had a rent receivable from the ISNA School Board (ISB) in the amount of \$350,000 as of December 31, 2016. In 2017, ISNA and ISB had settled a rental agreement that ISB paid \$175,000 as rent payment per year for 2015, 2016 and 2017 period. ISB had paid the total rent owing for 2015 - 2017 period in 2017 (total of \$525,000).

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2017 Net book value	2016 Net book value
Land	\$ 1,700,000	\$ -	\$ 1,700,000	\$ 1,700,000
Buildings	9,203,786	-	9,203,786	8,435,786
Furniture and fixtures	145,305	95,363	49,942	49,942
	<u>\$ 11,049,091</u>	<u>\$ 95,363</u>	<u>\$ 10,953,728</u>	<u>\$ 10,185,728</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

All amounts included in this account are in the regular course of operations

ISLAMIC SOCIETY OF NORTH AMERICA - CANADA
Notes to Financial Statements
Year Ended December 31, 2017

7. LOAN PAYABLE

Islamic Co-operative Housing Corporation Ltd. (ICHC) and ISNA jointly acquired and renovated the land and building situated at 2200 South Sheridan Way, Mississauga, L5J 2M4. As of May 2015, the total amount of \$7,157,000 was advanced by ICHC toward the purchase and construction of the property. Advances from ICHC are non-interest bearing. ISNA is required to repay ICHC quarterly installments of \$100,000 on March 1, June 1, September 1 and December 1 of each year until such time as the amount of \$7,157,000 is fully paid. ISNA agrees, where capable, to make more frequent payments or payments of larger amounts than the agreed quarterly installment, to reduce the length of payment of the indebtedness. In 2017, the organization paid an extra \$1,800,000 towards the repayment of this loan.

	2017	2016
Due to ICHC - current	\$ 400,000	\$ 400,000
Due to ICHC - long term	3,357,000	5,557,000
	\$ 3,757,000	\$ 5,957,000

8. OTHER REVENUE

Other revenue includes investments that were made in ICHC which were previously unrecorded in ISNA's records. These investments totaled \$ 436,800. These investments were redeemed in the 2017 fiscal year.

9. INKIND TRANSFER OF YELLOWKNIFE PROPERTY

A property was purchased by CITF in Yellowknife for \$568,000, with a balance owing of 100,000. This was transferred at cost to ISNA. ISNA also paid the remaining 100,000 balance on the property during the 2017 fiscal year.

10. INTERFUND TRANSFERS

These funds were transferred from the general fund to the capital fund to pay the remaining balance due to complete the full acquisition of the Yellowknife property

11. PRIOR PERIOD ADJUSTMENTS

1) A final agreement was reached with tenants regarding the collection of rent from prior years. As a result, a previously accrued rent receivable was reduced by 113,125.24 to be 359,000 (originally 463,125.24). This resulted in a downward adjustment in rent revenue in 2016 and a prior period adjustment in 2016 for the rent portion related to 2015.

ISLAMIC SOCIETY OF NORTH AMERICA - CANADA
Notes to Financial Statements
Year Ended December 31, 2017

12. ADOPTION OF THE RESTRICTED FUND METHOD

As of December 30, 2017, the board accepted management's proposal to designate a portion of net assets to the capital fund. Accordingly, \$4,228,729 of the net assets balance was allocated to the capital asset fund as noted below. Further, the board approved a interfund transfer of \$2,500,000 to the capital fund in order to reduce the property loan during the year and fund the acquisition of capital assets.

	2017	2016
Calculation of Capital Asset Fund Balance		
Total Capital Assets	\$ 10,953,729	\$ 10,185,729
Less: loan on building	(3,757,000)	(5,957,000)
	7,196,729	4,228,729
Ending capital asset fund balance	7,196,729	4,228,729
Ending general fund balance	3,066,799	3,843,255
	\$ 10,263,528	\$ 8,071,984

13. CONTINGENCIES

The accompanying financial statements have been prepared on the going concern assumption that the company will be able to realize its assets and discharge its liabilities in the normal course of business.

In November 2011, Canada Revenue Agency (CRA) conducted audit of the books and records of the organization for the period from January 1, 2007 to December 31, 2009. As a result of the audit, the organization appointed a new management team who took immediate steps providing a detailed response and steps that would be taken to rectify the deficiencies outlined in the proposal. (In subsequent years, ISNA has been subject to routine audits regarding harmonized sales tax returns and its issuance of donation receipts. CRA has not found any deficiencies and has accepted the filed returns and receipts issued.)

These financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate because management believes that the actions already taken or planned, as described above, will mitigate the adverse conditions and events which raise doubts about the validity of the going concern assumption used in preparing these financial statements.

14. SUBSEQUENT EVENT

The title of the property which is occupied by the organization was transferred as of March 31st 2018 from CITF to ISNA.

15. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

GOVERNANCE & ADMINISTRATION

BOARD OF DIRECTORS 2017 - MAJLIS ASH-SHURA

ISNA Canada is governed by a volunteer Board of Directors whose role is to oversee the organization's activities and steer the organization towards a sustainable future by adopting sound, ethical, and legal management policies. The Board also ensures the organization has adequate resources to advance its mission. ISNA Canada's Executive Director reports to the Board.

Dr. Syed Imtiaz Ahmad
President

Dr. Mohamed Bekkari
Vice President (until May 2017)

Moin Kermani
Treasurer

Pervez Nasim
Secretary

Dr. Katherine Bullock

Khadija Saidi

Ahmed Shakir Vahed

ADMINISTRATION

Abdalla Idris Ali
Executive Director (until November 2017)
National Director of Community Outreach & Religion (December 2017 - present)

Taha Ghayyur
Executive Director
(December 2017 - present)

Seema Khan
Director of Operations

Shameem Mohammed
Director of Finance & Accounting

STAFF

Alaa Elsayed
Director of Religious Affairs, ICC

Huzaifah Khan
Assistant Director of Religious Affairs, ICC

Mohammed Ilyas
Supervisor, ICC Facilities

Yasir Manssour
Assistant, ICC Facilities

Shehnaz Ahmed
Family Counsellor

Musaab Maniar
Manager, Bookstore

Muhammad Patel
Coordinator, Funeral Services

Farid Uddin
Coordinator, Funeral Services

Ghada El-Sadek
Secretary and Operations Assistant
(July 2017 - present)

Aisha Rakie
Secretary and Operations Assistant
(until June 2017)

Mansoor Mohamed
Accounting Assistant

Yasmen Zaghloul
Receptionist & Administrative Assistant

Dawood Zwink
Coordinator, Halal Certification Services



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