



NorthAmericanMuslimFoundation

NORTH AMERICAN MUSLIM FOUNDATION

FINANCIAL STATEMENTS

YEAR ENDED

DECEMBER 31, 2010

A limited liability partnership between Sandy CK Chim CA and Ben Seto FCA Professional Corporation

INDEPENDENT AUDITORS' REPORT

To the Members of
North American Muslim Foundation

We have audited the accompanying financial statements of **North American Muslim Foundation**, which comprise the balance sheet as at **December 31, 2010**, and the statements of revenues and expenses, 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 generally accepted accounting principles, 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.

Auditors' 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 auditors' 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 auditors consider 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 audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Corporation derives revenue from donations and donors, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Corporation and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses, assets and net assets.

Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of **North American Muslim Foundation** as at **December 31, 2010**, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Markham, Canada
April 8, 2011


Chartered Accountants
Licensed Public Accountants

FINANCIAL STATEMENTS

DECEMBER 31, 2010

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BALANCE SHEET
As at December 31, 2010

	2010	2009
ASSETS		
Current Assets		
Cash in bank and on hand	\$ 197,020	\$ 166,815
Cash held in trust	145,195	103,121
Prepaid expenses	8,473	8,423
GST refundable (Note 4)	22,990	11,753
Total Current Assets	373,678	290,112
Property, Plant and Equipment (Note 5)	3,675,791	3,631,219
TOTAL ASSETS	\$ 4,049,469	\$ 3,921,331
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 17,857	\$ 29,127
Fitra and Zakat Payable (Note 6)	145,195	103,121
Qarz-e-Hasna (Note 7)	30,000	102,000
Obligations under capital leases – current portion (Note 8)	206,706	178,986
Total Current Liabilities	399,758	413,234
Obligations under Capital Leases (Note 8)	2,786,968	2,980,242
Total Liabilities	3,186,726	3,393,476
NET ASSETS	862,743	527,855
TOTAL LIABILITIES AND NET ASSETS	\$ 4,049,469	\$ 3,921,331

Approved By:

Approved on behalf of the North American Muslim Foundation by:

Director

Director



STATEMENT OF REVENUES AND EXPENSES
For the year ended December 31, 2010

	2010	2009
REVENUES		
General donations	\$ 847,918	\$ 529,209
Fitra and Zakat receipts (Note 6)	135,748	97,551
Program fees	201,602	162,033
Grants	85,505	104,818
Other income	32,800	44,533
Total Revenues	1,303,573	938,144
EXPENSES		
Amortization	80,574	75,361
Advertising and printing	4,686	20,117
Payroll	39,638	72,117
Fundraising	71,611	51,825
General and office	9,318	10,320
Interest and bank charges	3,631	2,708
Insurance	5,108	4,657
Professional fees	8,695	11,704
Repairs and maintenance	1,099	4,648
Programs	101,061	62,408
School	147,963	107,231
Sub-contractors	62,310	38,400
Realty tax	82,001	82,530
Rent (Note 9)	192,000	180,500
Telephone and internet	6,579	5,068
Travel and automotive	19,877	11,123
Utilities and common expenses	23,936	31,206
Transfer of Fitra and Zakat funds (Note 6)	108,598	78,041
Total Expenses	968,685	849,964
Excess of Revenues over Expenses	\$ 334,888	\$ 88,180

**STATEMENT OF CHANGES IN NET ASSETS
For the year ended December 31, 2010**

	2010	2009
Net Assets - Beginning of Year	\$ 527,855	\$ 439,675
Excess of Revenues over Expenses	334,888	88,180
Net Assets - End of Year	\$ 862,743	\$ 527,855



STATEMENT OF CASH FLOWS
For the year ended December 31, 2010

	2010	2009
Cash Provided by (Used in):		
Operating activities		
Donations and other revenues	\$ 1,303,573	\$ 938,144
Expenses	968,685	849,964
Excess of revenues over expenses	334,888	88,180
Amortization not involving cash	80,574	75,361
	415,462	163,541
Changes in Non-Cash Operating Working Capital		
Increase (decrease) in accounts payable and liabilities	(11,270)	1,453
(Increase) decrease in GST refundable	(11,237)	392
(Increase) decrease in prepaid expenses	(50)	77
Cash Provided by Operations	392,905	165,463
Investing Activities		
Additions to property, plant and equipment	(125,147)	(47,739)
Cash Used by Investing	(125,147)	(47,739)
Financing Activities		
Repayment of obligations under capital leases	(165,553)	(156,263)
Proceeds from Qarz-e-Hasna	40,000	102,000
Repayment of Qarz-e-Hasna	(112,000)	0
Cash Provided (Used) by Financing	(237,553)	(54,263)
Increase in Cash	30,205	63,461
Cash - Beginning of Year	166,815	103,354
Cash - End of Year	\$ 197,020	\$ 166,815