

Manitoba Islamic Association

2021/22 Financial Report
and
2022/23 Budget

Agenda

- MIA Financial Audit & Facts
- Audit Opinion
- MIA Operation breakdown
- Motion
 - Approve the Audited Financial statements as presented.
 - Approve the appointment of Auditor for next year.
- Proposed MIA Budget 2022/2023
 - Approve of the budget for fiscal year 2022/2023

MIA Financial Audit

- MIA financial reports are audited annually by external auditors (Scarrow & Donald Chartered Accountants)
- MIA Financial Statements are presented to MIA membership at the AGM

Audit Opinion

To the Board of Directors of the Manitoba Islamic Association:

Qualified Opinion

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

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

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Association derives revenue which is not susceptible of satisfactory audit verification. Accordingly, verification of revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, difference between revenues and expenses, and cash flow from operating activities for the year ended June 30, 2022 and June 30, 2021, current assets as at June 30, 2022 and June 30, 2021 and net assets as at June 30, 2022, June 30, 2021 and July 1, 2020. Our audit opinion on the financial statements for the year ended June 30, 2021 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association 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 the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control

MIA Operation

Assistance & Service Program

- Collection of Zakat, Fitr and Funeral payment
- Takaful has a committee and the Social Services Manager to review cases
- Separate Bank Account

Educations & Workshop Program

- All Education Programs

Events & Social Programs

- Ramadan
- Eid prayers and Eid Festival

Mosque & Musallah

- Waverley
- Pioneer
- MIA Connections
- Winkler Musallah

Operations- Income

| | |
|------------------------------|--------------|
| <u>Total Income</u> | |
| General Donation | 693,767.00 |
| Zakat & Fitra | 344,871.00 |
| Funerals | 46,862.00 |
| Rental Income (406 Edmonton) | 152,871.00 |
| Education & Workshop | 153,914.00 |
| Events & Social Programs | 159,122.00 |
| Grants | 286,386.00 |
| Others | 40,753.00 |
| Funeral | 217,111.00 |
| Total | 2,095,657.00 |

Operations -Expenses

| | |
|---|--------------|
| <u>Operational Expenses</u> | |
| Wages and Health Benefits (Staff and teachers) | 497,340.00 |
| Utilities (hydro) | 81,623.00 |
| Utilities (water and sewage) | 38,945.00 |
| Repair and Maintenance | 110,179.00 |
| Professional & Legal | 28,970.00 |
| Insurance | 31,952.00 |
| Bank transaction service fees (transaction fees, donation software and bank fees) | 44,675.00 |
| Website support & Office expenses | 48,734.00 |
| Events & Social expenses | 167,359.00 |
| Education & Workshop Expenses | 150,965.00 |
| Property Taxes | 23,587.00 |
| Assistance & Funeral | 474,074.00 |
| Total | 1,698,403.00 |

FINANCIAL STATEMENTS

| MANITOBA ISLAMIC ASSOCIATION | | |
|---|-------------|-------------|
| STATEMENT OF FINANCIAL POSITION | | |
| | June 30 | |
| | 2022 | 2021 |
| ASSETS | | |
| Current assets: | | |
| Cash | \$1,263,308 | \$1,080,229 |
| Cash - capital projects | 211,919 | 167,838 |
| Accounts receivable | 55,720 | 53,173 |
| GST receivable | 44,249 | 30,140 |
| | 1,627,917 | 1,331,380 |
| Capital assets (Note 3) | 4,877,809 | 5,023,470 |
| | \$6,505,726 | \$6,354,850 |
| LIABILITIES AND NET ASSETS | | |
| Current liabilities: | | |
| Accounts payable | \$82,572 | \$150,827 |
| Government remittances | 6,039 | 2,270 |
| Deferred revenue | 3,607 | 2,000 |
| Deferred contributions (Note 4) | 18,530 | 8,500 |
| | 110,748 | 163,597 |
| Canada Emergency Business Account (Note 5) | 30,000 | 30,000 |
| Deferred contributions related to capital assets (Note 6) | 3,187,789 | 3,371,443 |
| | 3,328,537 | 3,565,040 |
| Net assets | 3,177,189 | 2,789,810 |
| | \$6,505,726 | \$6,354,850 |
| APPROVED BY THE BOARD OF DIRECTORS | | |

MANITOBA ISLAMIC ASSOCIATION

STATEMENT OF OPERATIONS

| | Year ended | Year ended |
|--|-------------|-------------|
| | June 30 | June 30 |
| | 2022 | 2021 |
| Revenues: | | |
| Donations, fund-raising and other revenue | \$1,725,420 | \$1,180,594 |
| Contributions used for assistance | 217,366 | 193,026 |
| Amortization of deferred contributions related to capital assets | 192,754 | 183,601 |
| Rental income | 152,871 | 256,962 |
| | 2,288,411 | 1,814,183 |
| Expenses: | | |
| Amortization | 202,629 | 287,300 |
| Assistance | 474,074 | 398,673 |
| General expenses | 656,566 | 515,832 |
| Wages and employee benefits | 567,763 | 303,785 |
| | 1,901,032 | 1,505,590 |
| Difference between revenues and expenses | \$387,379 | \$308,593 |

MANITOBA ISLAMIC ASSOCIATION

STATEMENT OF CHANGES IN NET ASSETS

| | Year ended | 9 months ended |
|--|--------------|----------------|
| | June 30 | June 30 |
| | 2022 | 2021 |
| Balance, beginning of period | 2,789,810.00 | 2,481,217.00 |
| Difference between revenues and expenses | 387,379.00 | 308,593.00 |
| Balance, end of period | 3,177,189.00 | 2,789,810.00 |

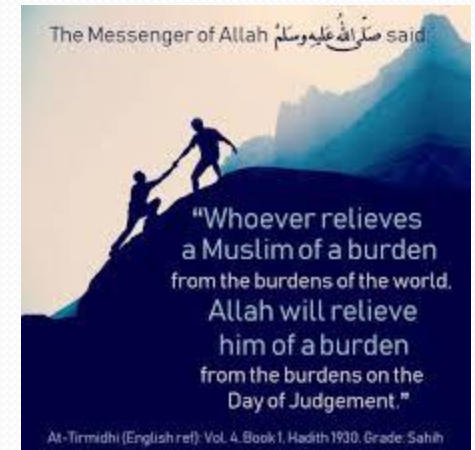
MANITOBA ISLAMIC ASSOCIATION
STATEMENT OF CASH FLOWS

| | Year ended June 30 2022 | 9 months ended June 30 2021 |
|--|-------------------------------|-----------------------------------|
| Cash flow from operating activities: | | |
| Cash from donations, fundraising and other | 2,090,638.00 | 1,593,186.00 |
| Cash paid to suppliers, employees and others | - 1,815,610.00 | - 1,092,805.00 |
| | 275,028.00 | 500,381.00 |
| Cash flow from investing activities: | | |
| Purchase of capital assets | - 56,968.00 | - 68,240.00 |
| Cash flow from financing activities: | | |
| Proceeds from CEBA | 30,000.00 | 30,000.00 |
| Deferred Contribution related to C.A. | 9,100.00 | |
| Change in Cash | 227,160.00 | 462,141.00 |
| Cash, beginning of period | 1,248,067.00 | 785,926.00 |
| Cash, end of period | 1,475,227.00 | 1,248,067.00 |
| Cash consists of: | | |
| Cash | 1,263,308.00 | 1,080,229.00 |
| Cash- capital projects | 211,919.00 | 167,838.00 |
| | 1,475,227.00 | 1,248,067.00 |

Assistance Program

Funds Collected \$344,871

Funds distributed \$ 311,164



Education & Workshop Programs

Funds Collected \$ 153,914

Funds Distributed \$150,965

Education & Workshop Programs cont.

Funds Collected \$ 153,914

| EXPENSES | |
|-----------------------------|------------|
| Teacher's Salary-AlFajr | 27,580.00 |
| Teacher's Salary-Arabic | 34,439.00 |
| Teacher's Salary-Preschool | 21,382.00 |
| School Supplies | 12,569.00 |
| Mental Health Initiative | 10,747.00 |
| Teacher's Training | 9,020.00 |
| Summer Camp | 8,652.00 |
| Quran Competition | 8,350.00 |
| Anti-Islamophobia Resource | 5,460.00 |
| School site plan & Flooring | 5,268.00 |
| MIA Kids Library | 3,998.00 |
| Noor Kids Tour at MIA | 3,500.00 |
| | 150,965.00 |

\$2,949.00 for future use

Events & Social Programs

Funds Collected \$ 159,122

| EXPENSES | |
|--------------------------------------|------------|
| Iftaar Expenses | 72,800.00 |
| Eid Expenses (2 prayers) | 44,500.00 |
| Ramadan Expenses | 19,365.00 |
| Event & Social-Other | 13,471.00 |
| MIA CAFÉ | 10,953.00 |
| Honorarium (speakers and presenters) | 6,270.00 |
| | 167,359.00 |

Deficit \$ 8,237

406 Edmonton Property

Rent Collected \$ 152,871

| EXPENSES | |
|-------------------------|------------|
| Payroll Expenses | 50,697.00 |
| Repairs and Maintenance | 70,251.00 |
| Manitoba Hydro-Electric | 24,177.00 |
| Manitoba Hydro-Gas | 12,935.00 |
| Water & Sewer | 8,130.00 |
| Insurance | 9,260.00 |
| Property Taxes | 12,480.00 |
| Waste Collection | 3,690.00 |
| | 191,620.00 |

Deficit \$ 38,749

Proposed MIA 2022/23 Budget Revenue

| PROPOSED MIA BUDGET 2022-23 | | |
|---|--|---------------------|
| TOTAL REVENUE | | |
| <u>Total Income</u> | | |
| Donations-General | | 700,000.00 |
| Donations-Zakat & Fitra | | 350,000.00 |
| Donations-Funeral Home | | 24,000.00 |
| Rental Income -406 Edmonton (new tenant 3 rd floor) | | 84,000.00 |
| Food/ Cafe Income | | 50,000.00 |
| Advertising & Gym Rental | | 31,907.00 |
| Memberships | | 4,500.00 |
| Grants- multi-purpose rooms at Waverley and Roof Project at 406 Edmonton etc. | | 650,000.00 |
| Funeral Funds | | 230,000.00 |
| Educational & Workshop Revenue | | 150,000.00 |
| Events & Social Programs | | 45,100.00 |
| <u>Total Income</u> | | 2,319,507.00 |
| | | |
| | | |
| | | |

Proposed MIA 2022/23 Budget

| PROPOSED MIA BUDGET 2022-23 | | |
|--|--|------------|
| TOTAL EXPENSES | | |
| <u>Total Expenses</u> | | |
| Assistance Payment | | 190,000.00 |
| Qualified donees | | 20,000.00 |
| Food Program | | 60,000.00 |
| Zakat Elegibe projects and Admin | | 80,000.00 |
| Funeral Expense | | 230,000.00 |
| Total Educational & Workshop Expense | | 100,000.00 |
| Total Events & Social Expense(Eids, Ramadan, Foodorama, eid carnival) | | 210,000.00 |
| Bank Charges | | 48,000.00 |
| IT Expense | | 15,000.00 |
| Internet | | 9,600.00 |
| Software, website and graphics | | 31,000.00 |
| Office - cleaning supplies, advertising | | 7,000.00 |
| Payroll Fees- CPP, EI, Payworks | | 35,000.00 |
| Payroll- 3 sites plus teachers and summer camp | | 520,000.00 |
| Accounting & Bookkeeping Fees and Audit | | 23,400.00 |
| Professional Services - Legal and consultants | | 30,000.00 |
| | | |
| | | |
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Proposed MIA 2022/23 Budget

| PROPOSED MIA BUDGET 2022-23 | | |
|--|--|---------------------|
| TOTAL EXPENSES | | |
| <u>Total Expenses</u> | | |
| Repairs / Maintenance | | |
| -Waverley- including cleaning contract and multipurpose rooms \$250,000) | | 362,000.00 |
| -Pioneer | | 10,000.00 |
| -406 Edmonton (Including \$225,507.00 for roof repairs) | | 275,507.00 |
| Manitoba Hydro | | |
| -Waverley | | 40,000.00 |
| -Pioneer | | 6,000.00 |
| -406 Edmonton | | 40,000.00 |
| Water & Sewer | | |
| -City of Wpg.-Pioneer | | 1,000.00 |
| -City of Wpg.-406 Edmonton | | 10,000.00 |
| -Waverley | | 10,000.00 |
| -St. Boniface | | 21,000.00 |
| MIA Pembina Valley (rent and activities) | | 13,000.00 |
| Insurance - Liability, D and O | | 32,000.00 |
| Property taxes | | 26,000.00 |
| Total Expenses | | 2,455,507.00 |
| Forecasting a deficit | | (\$136,000) |



Thank You