NISA FOUNDATION

Financial Statements

Year Ended December 31, 2025

PROFESSIONAL CORPORATION
AUDIT · TAX · ADVISORY

INDEPENDENT AUDITOR'S REPORT

To the Members of Nisa Foundation

Qualified Opinion

We have audited the financial statements of Nisa Foundation (the "organization"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, 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* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2025, and the results of its operations and 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 these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

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 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 audit opinion.

Other Matter

The financial statements for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 27, 2025.

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 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 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.

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Independent Auditor's Report to the Members of Nisa Foundation *(continued)*

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.

NVS Professional Corporation
Chartered Professional Accountants
Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario

Markham, Ontario
June 30, 2026

NISA FOUNDATION

Statement of Financial Position

December 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash and bank	**$ 1,892,758**	$ 1,054,402
Accounts receivable *(Note 3)*	**333,088**	309,282
Prepaid expenses	**108,484**	102,555
	$ 2,334,330	$ 1,466,239
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	**$ 162,317**	$ 125,244
DEFERRED GRANTS AND OTHER DONATIONS *(Note 4)*	**931,471**	948,691
	1,093,788	1,073,935
NET ASSETS	**1,240,542**	392,304
	$ 2,334,330	$ 1,466,239

ON BEHALF OF THE BOARD

_______________ *Director*

S McAnsary _______________ *Director*

See notes to financial statements

NISA FOUNDATION
Statement of Operations
Year Ended December 31, 2025

	2025	2024
REVENUES *(Schedule 1)*	**$ 7,515,887**	$ 6,072,983
EXPENSES		
Program Expenses *(Schedule 2)*	**5,566,295**	4,937,377
Fundraising Costs *(Schedule 3)*	**946,954**	884,614
Administrative Costs *(Schedule 4)*	**147,750**	138,703
Donations	**6,650**	211,960
	6,667,649	6,172,654
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	**$ 848,238**	$ (99,671)

See notes to financial statements

NISA FOUNDATION

Statement of Changes in Net Assets

Year Ended December 31, 2025

	2025	2024
NET ASSETS - BEGINNING OF YEAR	**$ 392,304**	$ 491,975
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	**848,238**	(99,671)
NET ASSETS - END OF YEAR	**$ 1,240,542**	$ 392,304

See notes to financial statements

NISA FOUNDATION

Statement of Cash Flows

Year Ended December 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	**$ 848,238**	$ (99,671)
Changes in non-cash working capital:		
Accounts receivable	**(23,806)**	(118,872)
Accounts payable	**37,073**	(72,146)
Prepaid expenses	**(5,929)**	(77,912)
Deferred income	**(17,220)**	822,510
	(9,882)	553,580
INCREASE IN CASH FLOW	**838,356**	453,909
Cash - beginning of year	**1,054,402**	600,493
CASH - END OF YEAR	**$ 1,892,758**	$ 1,054,402

See notes to financial statements

1. NATURE OF THE ORGANIZATION

Nisa Foundation (the “Organization”) was incorporated on August 15, 2017 under the Province of British Columbia as a corporation without share capital. On January 24, 2019, the Organization was registered as a charity by the Canada Revenue Agency (CRA) and, as such, is not subject to income tax.

The Organization’s mission is to transform communities by engaging, equipping, and enriching the lives of women and children, enabling them to realize their full potential.

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). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Revenue recognition

The Organization follows the deferral method of accounting for contributions which includes grants and donations. 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.

Contributed materials and services

Contributions of materials and services are recognized both as contributions and expenses in the statement of operationswhen a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Organization's operations and would otherwise have been purchased.

In some cases, the Organization receives services provided by volunteers. Due to the difficulty in determining a fair value for these services, the contributions are not recognized in the financial statements.

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm’s length transaction (“arm’s length financial instruments”) are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm’s length financial instrument at fair value. The Organization has not made such an election during the year.

All financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in (deficiency) excess of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; and no asset is individually significant. Management considers whether the issuer is having significant financial difficulty and whether there has been a breach in contract, such as a default or delinquency in interest or principal payments; in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year (deficiency) excess of revenue over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in (deficiency) excess of revenue over expenses in the year the reversal occurs.

Allocation of expenses

In some cases traditional support functions contribute to the direct delivery of programs. In these cases costs are allocated to the programs based on the estimated staff time spent.

The most appropriate basis for allocating general support expenses to programs is identified and applied consistently each year. General support expenses are allocated on the following bases:

Finance, human resources and information technology: Based on the estimated staff time supporting each function.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

3. ACCOUNTS RECEIVABLE

	2025	2024
Accounts receivable	**$ 125,979**	$ 148,362
Grants receivable	**119,916**	78,668
PSB rebate receivable	**87,193**	82,252
	$ 333,088	$ 309,282

4. DEFERRED GRANTS AND OTHER DONATIONS

Deferred grants and other donations consist of unspent grants and other donations externally restricted for Nisa programs and Helpline or expenditures that are to be provided in future years. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the deferred grants and other donations balance are as follows:

	2025	2024
Balance, beginning of year	**$ 948,691**	$ 126,181
Amounts received during the year	**1,970,382**	2,041,192
Amounts receivable at year end	**119,916**	78,668
Less: Amounts recognized as revenue during the year	**(2,107,518)**	(1,297,350)
	$ 931,471	$ 948,691

5. LEASE COMMITMENTS

The organization has a long term lease with respect to its premises. The lease contains renewal options and provides for payment of utilities, property taxes and maintenance costs. Future minimum lease payments as at year end are as follows:

The Organization has entered into various lease agreements for Nisa Homes location with estimated minimum annual payments as follows:

2026	$ 98,600
2027	37,500
2028	18,900
2029	19,500
2030 and Thereafter	20,100
	$ 194,600

6. NISA HOMES

On June 30, 2023, the Organization and National Zakat Foundation ("NZF") signed a Memorandum of Understanding ("MOU") regarding the transfer of the Nisa homes project (the "Project"), along with its assets, liabilities, and related resources. The transition period for this transfer was from January 1, 2023, to September 1, 2024. NZF supported the Organization in managing project operations during the transition. As of December 31, 2024, the Organization has operational responsibilities for all homes.

7. FINANCIAL INSTRUMENTS

The Foundation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Foundation is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Liquidity risk

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

The Organization's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Organization monitors and reviews current and future working capital requirements to manage its financial assets in order to settle financial liabilities. As at December 31, 2025, the Organization had current assets of $2,334,330 (2024 - $1,466,239) to settle liabilities of $1,093,788 (2024 - $1,073,935).

8. COMPARATIVE FIGURES

The prior year comparative figures were audited by another firm of Chartered Professional Accountants.

NISA FOUNDATION

Schedule of Revenue **(Schedule 1)**

Year Ended December 31, 2025

		2025		2024
Nisa Foundation				
Zakat	**$**	**2,544,456**	$	1,230,381
Sadaqah		**1,036,112**		801,237
Grants and other donations		**2,107,518**		1,297,350
Other Income		**127,179**		129,586
		5,815,265		3,458,554
Nisa Homes				
Zakat		**959,050**		1,694,118
Sadaqah		**648,204**		727,391
In-kind donations		**16,463**		35,981
		1,623,717		2,457,490
Nisa Helpline				
Zakat		**8,772**		32,621
Sadaqah		**64,866**		120,248
		73,638		152,869
Nisa Learning				
Sadaqah		**3,267**		4,070
Total Revenue	**$**	**7,515,887**	$	6,072,983

See notes to financial statements

NISA FOUNDATION

Schedule of Program Expenses **(Schedule 2)**

Year Ended December 31, 2025

		2025		2024
Programs				
Nisa homes	**$**	**4,985,771**	$	4,266,962
Nisa helpline		**448,925**		526,654
Nisa learning		**131,599**		143,761
	$	**5,566,295**	$	4,937,377

NISA FOUNDATION

Schedule of Fundraising Costs **(Schedule 3)**

Year Ended December 31, 2025

	2025	2024
Fundraising		
Fund development	**$ 724,730**	$ 673,461
Campaigns	**76,795**	116,227
Transaction costs	**145,429**	94,926
	$ 946,954	$ 884,614

NISA FOUNDATION

Schedule of Administrative Costs **(Schedule 4)**

Year Ended December 31, 2025

	2025	2024
Administration		
Support services costs	**$ 99,676**	$ 98,042
Legal & professional fees	**36,456**	27,176
Bank charges	**11,618**	13,485
	$ 147,750	$ 138,703

See notes to financial statements