Jamaica Foundation for Islamic Charity

Financial Statements
31 December 2017

Jamaica Foundation for Islamic Charity
Index
31 December 2017

Ranger and Associates
15 Surbiton Road,
Kingston 10,
St. Andrew,
Jamaica W.I.

Telephone # 1 – 876 – 806 – 1601
e-mail: ranger.associates@yahoo.com

Independent Auditor's Report

To the Members of
Jamaica Foundation for Islamic Charity

Report on the Financial Statements

We have audited the accompanying financial statements of Jamaica Foundation for Islamic Charity, set out on pages 1 to 17, which comprise the statement of financial position as of 31 December 2017 and the statement of comprehensive income, statement of changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with the requirements of the Jamaican Companies Act, 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 International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 audit opinion.

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Telephone # 1 – 876 – 806 – 1601
e-mail: ranger.associates@yahoo.com

Opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the charity as of 31 December 2017, and of the financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Jamaican Companies Act.

Report on Additional Requirements of the Jamaican Companies Act

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been preserved, so far as appears from our inspection of those records, and the accompanying financial statements are in agreement therewith and give the information required by the Act, in the manner so required.

Richard Ranger, R.P.A., C.A., A.C.C.A.

Registered Public Accountant

17 May 2018

Ranger and Associates
Kingston, Jamaica

Jamaica Foundation for Islamic Charity

Statement of Comprehensive Income

Year ended 31 December 2017

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2017 $	2016 $
Revenue		1,913,918	2,006,609
Miscellaneous income		61,471	-
Expenses	6	(1,863,349)	(1,725,125)
Surplus before taxation		112,040	281,484
Taxation		-	-
NET SURPLUS, BEING TOTAL COMPREHENSIVE INCOME FOR THE YEAR		112,040	281,484

The notes on pages 5 to 17 are an integral part of these financial statements

Jamaica Foundation for Islamic Charity

Statement of Financial Position

31 December 2017

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2017 $	2016 $
Non – Current Assets			
Fixed Assets	7	27,945	32,603
Deferred tax assets		-	-
		27,945	32,603
Current Assets			
Inventories		92,018	27,932
Receivables	8	-	53,200
Cash and cash equivalents	9	476,970	307,590
		568,988	388,722
Current Liabilities			
Payables	10	133,300	69,732
Taxation payable		-	-
		133,300	69,732
Net Current Assets		435,688	318,990
		463,633	351,593
Equity			
Capital		99,266	99,266
Accumulated Surplus		364,367	252,327
		463,633	351,593
Non – Current Liabilities			
Trustees' loan		-	-
		463,633	351,593

Approved for issue by the Board of Trustees on 17 May 2018 and signed on its behalf by:

Sharon Gillett–Chambers Director

Michael Gillett–Chambers Director

The notes on pages 5 to 17 are an integral part of these financial statements

Jamaica Foundation for Islamic Charity

Statement of Changes in Equity

Year ended 31 December 2017

(expressed in Jamaican dollars unless otherwise indicated)

	Capital $	Accumulated Deficit $	Total $
Balance as at 1 January 2016	99,266	(28,141)	71,125
Prior year adjustments	-	(1,016)	(1,016)
Total comprehensive income for the year	-	281,484	281,484
Balance as at 31 December 2016	99,266	252,327	351,593
Prior year adjustments	-	-	-
Total comprehensive income for the year		112,040	112,040
Balance as at 31 December 2017	99,266	364,367	463,633

The notes on pages 5 to 17 are an integral part of these financial statements

Jamaica Foundation for Islamic Charity

Statement of Cash Flows

Year ended 31 December 2017

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2017 $	2016 $
CASH RESOURCES WERE PROVIDED BY/(USED IN):			
Operating Activities			
Net Surplus		112,040	281,484
Adjustments for			
Depreciation	7	4,658	4,658
Income tax expenses		-	-
		116,698	286,142
Changes in non-cash working balances			
Inventories		(64,086)	-
Receivables		53,200	(53,200)
Payables		63,568	34,732
		169,380	267,674
Other non – cash transactions		-	(1,016)
Taxation paid		-	-
Net cash provided by operating activities		169,380	266,658
Cash flows from Investing activities			
Purchase of fixed assets	7	-	-
Net cash provided by / (used in) investing activities		-	-
Cash flows from Financing activities			
Capital injection		-	-
Trustees loan receipt		-	-
Net cash provided by / (used in) financing activities		-	-
Increase in cash and cash equivalents during the year		169,380	266,658
Net cash and cash equivalents at beginning of year		307,590	40,932
NET CASH AND CASH EQUIVALENTS AT END OF YEAR	9	476,970	307,590

The notes on pages 5 to 17 are an integral part of these financial statements

Jamaica Foundation for Islamic Charity

Notes to the Financial Statements
Year ended 31 December 2017
(expressed in Jamaican dollars unless otherwise indicated)

1. Identification

The charity is incorporated and domiciled in Jamaica.

The principal activity of the charity is to provide foods and other basic living products to the less fortunate in the society. The charity accepts donations from the members of the general public.

The charity's resident office is located 608G Oaklands, 114 – 116 Constant Spring Road, Kingston, Jamaica.

2. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the charity's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Standards, interpretations and amendments to published standards effective in 2013 which are relevant to the charity's operations
Certain new standards, amendments and interpretations to existing standards have been published that became effective during the current financial year and are relevant to the charity's operations. The adoption of these new pronouncements has impacted the charity as discussed below.

IAS 1, (Amendment) 'Presentation of financial statements' (effective 1 July 2012). This amendment changes the disclosure of items presented in other comprehensive income (OCI) in the statement of comprehensive income. The amendment requires entities to separate items presented in the OCI into groups, based on whether or not they may be recycled to profit or loss in the future. The charity has adopted these amendments from 1 January 2013.

IFRS 11, 'Joint arrangements,' (effective 1 January 2013). The standard gives a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. The charity has adopted these amendments from 1 January 2013.

IFRS 13, 'Fair Value Measurement', (effective 1 July 2013). This standard, aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The charity adopted the standard from 1 January 2013.

Jamaica Foundation for Islamic Charity

Notes to the Financial Statements
Year ended 31 December 2017
(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards effective in 2013 which are relevant to the charity's operations (continued)
Certain other pronouncements are mandatory for the current and future accounting periods but are not immediately relevant to the charity's operations. Their adoption has had no significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements

Accounting pronouncements that are not yet effective, and have not been early adopted At the date of authorisation of these financial statements, certain new standards, interpretations and amendments to existing standards have been issued which are mandatory for the charity's accounting periods beginning on or after 1 January 2013 or later periods, but were not effective at the date of the statement of financial position, and which the charity has not early adopted. The charity has assessed the relevance of all such new standards, interpretations and amendments, has determined that the following may be relevant to its operations, and has concluded as follows:

IAS 32 (Amendment), 'Financial instruments: Presentation' (effective 1 January 2014). These amendments clarify some of the requirements for offsetting financial assets and a financial liability on the statement of financial position. Management is currently assessing the impact this may have on the charity.

IAS 36 (Amendment), 'Impairment of assets', (effective 1 January 2014). This amendment addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The charity will adopt the standard from 1 January 2014.

IFRS 9, 'Financial instruments' (effective 1 January 2015). The standard introduces new requirements for the classification and measurement of financial assets and liabilities and is effective from 1 January 2015 with early adoption permitted. The standard divides all financial assets and liabilities that are currently in the scope of IAS 39 into two classifications – those measured at amortised cost and those measured at fair value. This standard is a work in progress and will eventually replace IAS 39 in its entirety. Management is currently assessing the impact this may have on the charity.

(b) Foreign currency translation

(i) Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Jamaican dollars, which is the charity's functional and presentation currency.

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Jamaica Foundation for Islamic Charity

Notes to the Financial Statements
Year ended 31 December 2017
(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(c) Fixed Assets

Items of fixed assets are measured at cost less accumulated depreciation and impairment losses. Such costs includes costs of replacing part of the items, borrowing costs for long term construction projects if the recognition criteria are met and other costs that are directly attributable to the acquisition of the item. All other repair and maintenance costs are recognised in the statement of comprehensive income.

Increases in the carrying amount arising on revaluation of fixed assets are credited to capital reserves in shareholders' equity. Decreases that off –set previous increases of the same asset are charged against capital reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Depreciation on fixed assets are calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Furniture, fixtures and equipment	10 years
Computer equipment	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. The asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other operating income, in the statement of comprehensive income.

(d) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and on hand and short term deposits with an original maturity of three months or less. For the purposes of the cash flow statement, cash and cash equivalents comprise cash and bank balances, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, net of bank overdrafts. Bank overdrafts are shown in current liabilities.

(e) Receivables

Receivables are carried at the original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade and other receivables is established when there is objective evidence that the charity will not be able to collect all amount due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount.

(f) Payables

Payables are recognised initially at cost.

Jamaica Foundation for Islamic Charity

Notes to the Financial Statements

Year ended 31 December 2017

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(g) Revenue recognition

Revenue comprises the fair value of the consideration received or receivables for donation of money and goods in the ordinary course of the charity's activities.

The charity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the charity's activities below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The charity bases its estimates on historical results taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenue is recognised as follows:

Receival of funds and goods

The charity provides goods and other basic products to the less fortunate in the society.

Interest income

Interest income is recognised on an accrual basis unless collectibility is in doubt.

(h) Income Taxes

Current income tax charges are based on taxable profits for the year, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The charity's liability for current tax is calculated at tax rates that have been enacted at the statement of financial position date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the assets will be realised or the liability will be settled based on enacted rates.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Current and deferred income taxes are recognised as income tax expense or benefit in the profit and loss account except, where they relate to items recorded in shareholders' equity, they are also charged or credited to shareholders' equity.

(i) Provisions

Provisions are recognised when the charity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2. Summary of Significant Accounting Policies (Continued)

(i) Financial instruments
Financial instruments carried on the statement of financial position include cash and short-term deposits, trade and other receivables and trade and other payables. The amounts carried on the statement of financial position reflect their approximate fair values because of the short-term nature of these instruments.

(k) Borrowings
Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between net proceeds and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective yield method.

(j) Comparative information
Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

3. Financial Risk Management

The charity's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The charity's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the charity's financial performance.

The charity's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The charity regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the charity's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

(a) Credit risk
The charity takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the charity by failing to discharge their contractual obligations. Credit risk is the most important risk for the charity's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the charity's receivables from customers and investment activities. The charity structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and to geographical and industry segments.

Jamaica Foundation for Islamic Charity

Notes to the Financial Statements
Year ended 31 December 2017
(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (continued)

(a) Credit risk (continued)

Credit review process
Management performs ongoing analyses of the ability of borrowers and other counterparties to meet repayment obligations.

(i) Cash
Cash transactions are limited to high credit quality financial institutions.

Maximum exposure to credit risk
The charity's maximum exposure to credit risk at year end was as follows:

	2017	2016
	$	$
Receivables	-	53,200
Cash and cash equivalents	476,970	307,590
	476,970	360,790

(b) Liquidity risk
Liquidity risk is the risk that the charity is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to fulfil loan payments and other liabilities incurred.

Liquidity risk management process
The charity's liquidity management process, as carried out within the charity and monitored by the Board of Directors, includes:

(i) Monitoring future cash flows and liquidity on a regular basis. This incorporates an assessment of expected cash flows and accessing credit from related parties or financial institutions if required;
(ii) Optimising cash returns on short term investments; and
(iii) Monitoring financial position liquidity ratios against internal requirements.

Monitoring and reporting take the form of cash flow measurement and projections for the next day, week and month, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

Jamaica Foundation for Islamic Charity

Notes to the Financial Statements
Year ended 31 December 2017
(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

Liquidity risk management process (continued)

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the charity. It is unusual for companies ever to be completely matched since business transacted is often of uncertain term and of different types. An unmatched position potentially enhances profitability, but can also increase the risk of loss.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest-bearing liabilities as they mature, are important factors in assessing the liquidity of the charity and its exposure to changes in interest rates and exchange rates.

Financial assets and liabilities cash flows
The tables below present the undiscounted cash flows of the charity's financial assets and liabilities based on contractual repayment obligations:

	Within 1 Month	2 to 4 Months	5 to 12 Months	1 to 5 Years	Over 5 Years	Total
	$	$	$	$	$	$
As at 31 December 2017						
Financial Assets						
Receivables	-	-	-	-	-	-
Cash and cash equivalents	476,970	-	-	-	-	476,970
Total financial assets (contractual maturity dates)	476,970	-	-	-	-	476,970
Financial liabilities						
Payables	-	-	133,300	-	-	133,300
Trustees' loans	-	-	-	-	-	-
Total financial liabilities (contractual maturity dates)	-	-	133,300	-	-	133,300
Net Liquidity Gap	476,970	-	(133,300)	-	-	343,670

Jamaica Foundation for Islamic Charity

Notes to the Financial Statements

Year ended 31 December 2017

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

Liquidity risk management process (continued)

	Within 1 Month $	2 to 4 Months $	5 to 12 Months $	1 to 5 Years $	Over 5 Years $	Total $
As at 31 December 2016						
Financial Assets						
Receivables	53,200	-	-	-	-	53,200
Cash and cash equivalents	307,590	-	-	-	-	307,590
Total financial assets (contractual maturity dates)	360,790	-	-	-	-	360,790
Financial liabilities						
Payables	-	-	69,732	-	-	69,732
Trustees' loans	-	-	-	-	-	-
Total financial liabilities (contractual maturity dates)	-	-	69,732	-	-	69,732
Net Liquidity Gap	360,790	-	(69,732)	-	-	291,058

Assets available to meet all of the liabilities and to cover some of the financial liabilities include cash and short term investments.

3. Financial Risk Management (Continued)

(c) Market risk

The charity takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis. There has been no change to the charity's exposure to market risks or the manner in which it manages and measures the risk.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The charity is primarily exposed to such risks arising from its United States Dollar transactions and its United States denominated deposits. The statement of financial position as at 31 December 2017 includes aggregate foreign assets of approximately US$ 210 (2016 – US$ 543)

The charity manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The charity further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the charity to cash flow interest risk, whereas fixed interest rate instruments expose the charity to fair value interest risk.

(d) Capital management

The charity's objectives when managing capital are to safeguard the charity's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board of Directors monitors the return on capital, which the charity defines as net operating income divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to ordinary shareholders.

Consistent with others in the industry, the charity monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

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Notes to the Financial Statements
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3. Financial Risk Management (Continued)

(d) Capital management (continued)

The gearing ratios at 31 December 2017 and 31 December 2016 were as follows:

	2017	2016
	$	$
Total borrowings (Notes 10)	133,300	69,732
Less: cash and cash equivalents (Note 9)	(476,970)	(307,590)
Net debt	-	-
Total equity	402,162	351,593
Total capital	402,162	351,593
Gearing ratio	0.00%	0.00%

There were no changes to the charity's approach to capital management during the year.

The charity is not subject to externally imposed capital requirements.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income taxes
There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The charity recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

5. Fair Value of Financial Instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

In accordance with IFRS 7, the charity discloses fair value measurements for items carried on the statement of financial position at fair value, by level of the following fair value measurement hierarchy:

(i) Quoted prices (unadjusted) in active markets for identical assets or liabilities are disclosed as Level 1.
(ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) are disclosed as Level 2.
(iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) are disclosed as Level 3.

There are no financial assets and financial liabilities measured at fair value at the year end.

(expressed in Jamaican dollars unless otherwise indicated)

5. Fair Value of Financial Instruments (continued)

The determination of fair value is done through the use of a variety of techniques. The values determined from applying these techniques are significantly affected by the underlying assumptions used concerning both the amounts and timing of future cash flows and the discount rates. The following methods and assumptions have been used:

(i) The fair value of short-term assets and liabilities maturing within one year is assumed to approximate their carrying amount. This assumption is applied to liquid assets and the short-term elements of all other financial assets and financial liabilities;
(ii) Loans are carried at amortised cost which is assumed to approximate fair value as loans are issued at terms and conditions available in the market for similar transactions; and
(iii) The fair value of director's loans could not be reliably measured as there are no fixed repayment terms.

6. Expenses by Nature

Total expenses:

	Note	2017 $	2016 $
Advertising and promotional expense		-	-
Auditor's remunerations		35,000	35,000
Bank charges		7,345	6,527
Cleaning and sanitation expense		324	4,069
Company Office of Jamaica Annual and other services fees		-	8,200
Damaged and obsolete goods		-	3,605
Depreciation	7	4,658	4,658
Electricity		53,425	32,051
Goods purchased for donation		1,600,400	1,486,032
Irrecoverable GCT		89,207	60,013
Office and other general expense		4,449	18,687
Packaging expense		20,008	15,319
Property Tax		3,575	-
Repairs and maintenance		5,300	1,391
Stationery and printing expense		2,573	9,254
Travelling expense		21,000	24,329
Water		16,085	15,990
		1,863,349	1,725,125

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Notes to the Financial Statements
Year ended 31 December 2017
(expressed in Jamaican dollars unless otherwise indicated)

7. Fixed Assets

	2017		
	Furniture Fixtures & Equipment $	**Computer Equipment $**	**Total $**
Cost or Valuation			
At 1 January 2017	46,577	-	46,577
Additions	-	-	-
At 31 December 2017	46,577	-	46,577
Depreciation -			
At 1 January 2017	13,974	-	13,974
Charge for the year	4,658	-	4,658
At 31 December 2017	18,632	-	18,632
Net Book Value -			
31 December 2017	27,945	-	27,945

	2016		
	Furniture Fixtures & Equipment $	**Computer Equipment $**	**Total $**
Cost or Valuation			
At 1 January 2016	46,577	-	46,577
Additions	-	-	-
At 31 December 2016	46,577	-	46,577
Depreciation -			
At 1 January 2016	9,316	-	9,316
Charge for the year	4,658	-	4,658
At 31 December 2016	13,974	-	13,974
Net Book Value -			
31 December 2016	32,603	-	32,603

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Notes to the Financial Statements

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(expressed in Jamaican dollars unless otherwise indicated)

8. Receivables

	2017 $	2016 $
Trade	-	-
Other (funds pledge by donors)	-	53,200
	-	53,200

9. Cash and Cash Equivalents

	2017 $	2016 $
Cash at Bank	426,865	216,913
Cash in hand	50,105	90,677
	476,970	307,590
Bank overdraft	-	-
	476,970	307,590

10. Payables

	2017 $	2016 $
Accrued expenses	35,000	35,000
Other	98,300	34,732
	133,300	69,732