

# MIRZA BAIG & COMPANY

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## INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
Islamic Medical Association of North America  
Lombard, Illinois

We have audited the accompanying financial statements of Islamic Medical Association of North America (the Association) which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation 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 auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant 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.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Islamic Medical Association of North America as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Chicago, Illinois  
September 21, 2018

*Mirza Baig & Company*

ISLAMIC MEDICAL ASSOCIATION OF NORTH AMERICA

STATEMENT OF FINANCIAL POSITION

As of December 31, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>ASSETS:</b>				
Current assets:				
Cash and cash equivalents	\$ 330,779	1,197,647	-	\$ 1,528,426
Accounts receivable		-	-	-
Prepaid expense	-	-	-	-
<b>Total current assets</b>	<u>330,779</u>	<u>1,197,647</u>	<u>-</u>	<u>1,528,426</u>
Fixed assets - at costs (net of accumulated depreciation of \$235,119)	757,753	-	-	757,753
	<u>757,753</u>	<u>-</u>	<u>-</u>	<u>757,753</u>
Other assets:				
Investments	10,291	-	3,267,349	3,277,640
Cash Surrender Value - Insurance	170,956	-	-	170,956
	<u>181,247</u>	<u>-</u>	<u>3,267,349</u>	<u>3,448,596</u>
<b>Total assets</b>	<u>1,269,779</u>	<u>1,197,647</u>	<u>3,267,349</u>	<u>5,734,775</u>
<b>LIABILITIES AND NET ASSETS:</b>				
Current liabilities:				
Accounts payable	43,547	-	-	43,547
Accrued salaries and taxes	-	-	-	-
Deferred revenue	-	-	-	-
<b>Total current liabilities</b>	<u>43,547</u>	<u>-</u>	<u>-</u>	<u>43,547</u>
<b>Total Liabilities</b>	<u>43,547</u>	<u>-</u>	<u>-</u>	<u>43,547</u>
Net assets:				
Permanently restricted	-	-	3,267,349	3,267,349
Temporarily restricted	-	1,128,732	-	1,128,732
Unrestricted	1,295,147	-	-	1,295,147
<b>Total net assets</b>	<u>1,295,147</u>	<u>1,128,732</u>	<u>3,267,349</u>	<u>5,691,228</u>
<b>Total liabilities and net assets</b>	<u>\$ 1,338,694</u>	<u>1,128,732</u>	<u>3,267,349</u>	<u>5,734,775</u>

see accompanying notes to financial statements

ISLAMIC MEDICAL ASSOCIATION OF NORTH AMERICA

STATEMENT OF ACTIVITIES  
For the year ended December 31, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>PUBLIC SUPPORT AND REVENUE:</b>				
<b>Public support:</b>				
Contributions	180,195		\$ -	\$ 180,195
Grants/Contracts	-	40,000		40,000
Zakat Contributions	-	452,737		452,737
Special events/Fundraising	185,146			185,146
Less: Direct expenses	(16,862)			(16,862)
Convention fees	403,549			403,549
Project revenue	5,477	775,799		781,276
IIIM Revenue	12,450			12,450
Membership dues	16,600		12,000	28,600
Rental Income	50,580			50,580
In-kind revenue	-	85,000		85,000
Net assets released from restrictions	954,886	(954,886)		-
Total public support	<u>1,792,021</u>	<u>398,650</u>	<u>12,000</u>	<u>2,202,671</u>
<b>Revenues:</b>				
Interest and Investment income	1,286		37,113	38,399
Gain/Loss from investments	10,291		507,922	518,213
Other revenue	946			946
Total revenues	<u>12,523</u>	<u>-</u>	<u>545,035</u>	<u>557,558</u>
Total public support and revenues	<u>\$ 1,804,544</u>	<u>\$ 398,650</u>	<u>\$ 557,035</u>	<u>\$ 2,760,229</u>
<b>EXPENSES:</b>				
<b>Program services:</b>				
IMR/UMR events	25,765			\$ 25,765
Conventions	135,769			135,769
IIIM	4,586			4,586
AED-Islamic Relief	2,593			2,593
Relief Projects	807,721			807,721
Zakat	81,197			81,197
Total program services	<u>1,057,631</u>	<u>-</u>	<u>-</u>	<u>1,057,631</u>
<b>Supporting services:</b>				
Management and general	653,107			653,107
Fundraising	95,909			95,909
Total supporting services	<u>749,016</u>	<u>-</u>	<u>-</u>	<u>749,016</u>
Total expenses	<u>1,806,647</u>	<u>-</u>	<u>-</u>	<u>1,806,647</u>
Increase/(decrease) in net assets	\$ (2,103)	\$ 398,650	\$ 557,035	\$ 953,582
Net assets, beginning of year	1,269,776	730,082	2,710,314	4,710,172
Prior period adjustment	27,474			27,474
Net assets, end of year	<u>\$ 1,295,147</u>	<u>\$ 1,128,732</u>	<u>\$ 3,267,349</u>	<u>\$ 5,691,228</u>

See accompanying notes to financial statements

ISLAMIC MEDICAL ASSOCIATION OF NORTH AMERICA

STATEMENT OF CASH FLOWS  
For the years ended December 31, 2017

CASH FLOW FROM OPERATING ACTIVITIES:

(Decrease) Increase in net assets	\$ 953,582
Adjustments to reconcile increase in net assets to net cash Provided by operating activities:	
Depreciation	24,283
Prior period adjustment	27,474
Increase(Decrease) in operating liabilities:	
(Decrease) in accounts receivable	-
(Decrease) in prepaid expense	75,400
(Increase) in accounts payable and accrued expenses	22,775
(Increase) in deferred revenue	(3,200)
Net Unrealized/Realized gain from investments	(558,864)
Net cash provided by operating activities	<u>541,450</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Additions to property and equipment	(190,460)
Net investments	(2,828)
Net cash used by investing activities	<u>(193,288)</u>

Net (Decrease) Increase in Cash and Cash Equivalents	348,162
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CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,180,264</u>
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CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$1,528,426</u></u>
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See accompanying notes to financial statements