

# 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, 2018, 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, 2018, 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  
October 10, 2019

*Mirza Baig & Company*

ISLAMIC MEDICAL ASSOCIATION OF NORTH AMERICA

STATEMENT OF FINANCIAL POSITION

As of December 31, 2018

	<u>Without Donor Restricted</u>	<u>With Donor Restricted</u>	<u>Total</u>
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$ 352,029	1,863,951	\$ 2,215,980
Accounts receivable	-	-	-
Prepaid expense	-	-	-
Total current assets	<u>352,029</u>	<u>1,863,951</u>	<u>2,215,980</u>
Fixed assets - at costs (net of accumulated depreciation of \$260,249)	732,623	-	732,623
	<u>732,623</u>	<u>-</u>	<u>732,623</u>
Other assets:			
Investments	-	3,057,402	3,057,402
Cash Surrender Value - Insurance	182,297	-	182,297
	<u>182,297</u>	<u>3,057,402</u>	<u>3,239,699</u>
Total assets	<u><u>1,266,949</u></u>	<u><u>4,921,353</u></u>	<u><u>6,188,302</u></u>
<b>LIABILITIES AND NET ASSETS:</b>			
Current liabilities:			
Accounts payable	4,720	-	4,720
Accrued salaries and taxes	-	-	-
Deferred revenue	3,400	-	3,400
Total current liabilities	<u>8,120</u>	<u>-</u>	<u>8,120</u>
Total Liabilities	<u>8,120</u>	<u>-</u>	<u>8,120</u>
Net assets:			
With donor restricted	-	4,921,353	4,921,353
Without donor restricted	1,258,829	-	1,258,829
Total net assets	<u>1,258,829</u>	<u>4,921,353</u>	<u>6,180,182</u>
Total liabilities and net assets	<u><u>\$ 1,266,949</u></u>	<u><u>4,921,353</u></u>	<u><u>6,188,302</u></u>

see accompanying notes to financial statements

ISLAMIC MEDICAL ASSOCIATION OF NORTH AMERICA

STATEMENT OF ACTIVITIES  
For the year ended December 31, 2018

	<u>Without Donor Restricted</u>	<u>With Donor Restricted</u>	<u>Total</u>
<b>PUBLIC SUPPORT AND REVENUE:</b>			
Public support:			
Contributions	178,581	-	\$ 178,581
Zakat Contributions	5,000	598,032	603,032
Grants/Contracts	-	25,180	25,180
Special events/Fundraising	27,217	48,483	75,700
Less: Direct expenses	(20,073)	-	(20,073)
Convention fees	368,555	-	368,555
Project revenue	15,690	1,672,793	1,688,483
Membership dues	12,000	4,000	16,000
Rental Income	62,420	-	62,420
In-kind revenue	-	-	-
Net assets released from restrictions	1,752,211	(1,752,211)	-
Total public support	<u>2,401,601</u>	<u>596,277</u>	<u>2,997,878</u>
Revenues:			
Interest and Investment income	10,852	32,156	43,008
Gain/Loss from investments	(34,713)	(103,161)	(137,874)
Other revenue	7,604	-	7,604
Total revenues	<u>(16,257)</u>	<u>(71,005)</u>	<u>(87,262)</u>
Total public support and revenues	<u>\$ 2,385,344</u>	<u>\$ 525,272</u>	<u>\$ 2,910,616</u>
<b>EXPENSES:</b>			
Program services:			
IMR/UMR events	24,237	-	\$ 24,237
Conventions	195,644	-	195,644
IIIM	84,235	-	84,235
AED-Islamic Relief	52,069	-	52,069
Relief Projects	1,420,690	-	1,420,690
Zakat	14,000	-	14,000
Total program services	<u>1,790,875</u>	<u>-</u>	<u>1,790,875</u>
Supporting services:			
Management and general	633,104	-	633,104
Fundraising	-	-	-
Total supporting services	<u>633,104</u>	<u>-</u>	<u>633,104</u>
Total expenses	<u>2,423,979</u>	<u>-</u>	<u>2,423,979</u>
Increase/(decrease) in net assets	\$ (38,635)	\$ 525,272	\$ 486,637
Net assets, beginning of year	1,295,147	4,396,081	5,691,228
Prior period adjustment	<u>2,317</u>	<u>-</u>	<u>2,317</u>
Net assets, end of year	<u>\$ 1,258,829</u>	<u>\$ 4,921,353</u>	<u>\$ 6,180,182</u>

See accompanying notes to financial statements

ISLAMIC MEDICAL ASSOCIATION OF NORTH AMERICA

STATEMENT OF CASH FLOWS  
For the years ended December 31, 2018

CASH FLOW FROM OPERATING ACTIVITIES:

(Decrease) Increase in net assets	\$ 486,637
Adjustments to reconcile increase in net assets to net cash Provided by operating activities:	
Depreciation	25,130
Prior period adjustment	2,317
Increase(Decrease) in operating liabilities:	
(Decrease) in accounts receivable	-
(Increase) in prepaid expense	-
(Increase) in accounts payable and accrued expenses	(32,027)
(Increase) in deferred revenue	(3,400)
Net Unrealized/Realized gain from investments	-
Net cash provided by operating activities	<u>478,657</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Additions to property and equipment	-
Net investments	<u>208,897</u>
Net cash used by investing activities	<u>208,897</u>

Net (Decrease) Increase in Cash and Cash Equivalents 687,554

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 1,528,426

CASH AND CASH EQUIVALENTS, END OF YEAR \$2,215,980

See accompanying notes to financial statements