

FINANCIAL STATEMENTS
OF
MEDICINE FOR MALI, INC.
URBANDALE, IOWA
AT
DECEMBER 31, 2009 AND 2008

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Certified Public Accountants

Stephen D. Givens, CPA

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Medicine for Mali, Inc.
Urbandale, Iowa

We have audited the accompanying statements of financial position of Medicine for Mali, Inc. (a nonprofit organization) as of December 31, 2009 and 2008, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Medicine for Mali, Inc. as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

RYUN, GIVENS & COMPANY, P.L.C.


Certified Public Accountants

July 9, 2010

MEDICINE FOR MALL, INC.
URBANDALE, IOWA

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2009 AND 2008

	2009	2008
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 74,896	\$ 72,809
Loans Receivable	15,310	11,693
Advances to Related Parties	-	4,000
Other Current Assets	750	-
Total Current Assets	90,956	88,502
Property and Equipment:		
Equipment	52,016	57,276
Total Property and Equipment	52,016	57,276
LESS - Accumulated Depreciation	45,288	41,349
Net Property and Equipment	6,728	15,927
TOTAL ASSETS	97,684	104,429
LIABILITIES AND NET ASSETS		
Net Assets:		
Unrestricted	78,508	104,429
Temporarily Restricted	19,176	-
Total Net Assets	97,684	104,429
TOTAL LIABILITIES AND NET ASSETS	\$ 97,684	\$ 104,429

**MEDICINE FOR MALL, INC.
URBANDALE, IOWA**

**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

	2009	2008
UNRESTRICTED NET ASSETS		
Revenues, Gains, and Other Support:		
Contributions	\$ 428,346	\$ 377,029
Interest Income	83	4,125
Loan Interest Income	585	503
Gain (Loss) From Foreign Currency Exchange	(61)	(1,105)
Total Revenues, Gains, and Other Support	428,953	380,552
Expenses:		
Program Services	438,188	475,391
Management and General	15,158	31,133
Fundraising	1,528	960
Total Expenses	454,874	507,484
Operating Income	(25,921)	(126,932)
Increase (Decrease) in Unrestricted Net Assets	(25,921)	(126,932)
Temporarily Restricted Net Assets		
Contributions	19,176	-
Increase (Decrease) in Temporarily Restricted Net Assets	19,176	-
Increase (Decrease) in Net Assets	(6,745)	(126,932)
Net Assets, Beginning of Year	104,429	231,361
Net Assets, End of Year	\$ 97,684	\$ 104,429

**MEDICINE FOR MALL, INC.
URBANDALE, IOWA**

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Program Services	Management and General	Fundraising	Total
Expenses:				
Bank Charges	\$ -	\$ 578	\$ -	\$ 578
Clinical and Medical	274,397	-	-	274,397
Construction	105,965	-	-	105,965
Depreciation	-	9,082	-	9,082
Food	3,930	-	-	3,930
General and Administrative	-	5,498	-	5,498
Housing	140	-	-	140
Labor	19,834	-	-	19,834
Other	9,309	-	-	9,309
Printing and Postage	-	-	1,528	1,528
Scholarships	1,600	-	-	1,600
Supplies	704	-	-	704
Travel	22,309	-	-	22,309
Total Expenses	\$ 438,188	\$ 15,158	\$ 1,528	\$ 454,874

**MEDICINE FOR MALL, INC.
URBANDALE, IOWA**

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Program Services	Management and General	Fundraising	Total
Expenses:				
Bank Charges	\$ -	\$ 256	\$ -	\$ 256
Clinical and Medical	279,650	-	-	279,650
Construction	111,783	-	-	111,783
Depreciation	-	10,081	-	10,081
Food	1,221	-	-	1,221
General and Administrative	-	20,796	-	20,796
Housing	698	-	-	698
Labor	18,151	-	-	18,151
Other	5,625	-	-	5,625
Printing and Postage	-	-	960	960
Scholarships	6,233	-	-	6,233
Supplies	9,869	-	-	9,869
Travel	42,161	-	-	42,161
Total Expenses	\$ 475,391	\$ 31,133	\$ 960	\$ 507,484

**MEDICINE FOR MALL, INC.
URBANDALE, IOWA**

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets	\$ (6,745)	\$ (126,932)
Adjustments to Reconcile Change in Net Assets to Cash Provided by Operating Activities:		
Depreciation	9,082	10,081
(Gain) Loss on Disposal of Property and Equipment	117	-
(Increase) Decrease in:		
Contributions Receivable	-	4,938
Loans Receivable	(3,617)	(1,629)
Advances to Related Parties	4,000	(3,945)
Other Current Assets	(750)	-
Increase (Decrease) in:		
Accounts Payable	-	(711)
Net Cash Provided (Used) By Operating Activities	2,087	(118,198)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	-	(4,259)
Net Cash Provided (Used) By Investing Activities	-	(4,259)
Net Increase (Decrease) in Cash and Cash Equivalents	2,087	(122,457)
Cash and Cash Equivalents at Beginning of Year	72,809	195,266
Cash and Cash Equivalents at End of Year	\$ 74,896	\$ 72,809

**MEDICINE FOR MALI, INC.
URBANDALE, IOWA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Medicine for Mali, Inc. (the Organization) is a nonprofit organization dedicated to providing medical supplies and services, improving water quality, providing education and supporting economic development to the citizens of the African nation of Mali. The Organization is supported primarily through contributions from individuals.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Management's estimate of the value of contributed services is based on prevailing industry rates. We evaluated the key factors and assumptions used to develop the value of contributed services in determining that it is reasonable in relation to the financial statements taken as a whole.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Loans Receivable

All loans receivable are uncollateralized, interest bearing 5% for the years ended December 31, 2009 and 2008, respectively, and are payable within one year of issuance. Loans receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment, all loans are considered collectable. Accordingly, no allowance for doubtful accounts has been established.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$500. Property and equipment is stated at cost and is being depreciated by the straight-line method over the estimated useful life of 5 years. Depreciation expense for the years ended December 31, 2009 and 2008 was \$9,082 and \$10,081, respectively.

Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When property, plant and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

MEDICINE FOR MALI, INC.
URBANDALE, IOWA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2009 AND 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted new assets, depending on the existence or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Contributed Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provide services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Contributed Supplies

Contributed supplies are recorded as contributions at their estimated fair values at the date of donation.

Income Taxes

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). The Organization has received a letter ruling from the Internal Revenue Service that it will be classified as a public charity under Section 170(b)(1)(A)(vi) of the Internal Revenue Code and not as a private foundation. Accordingly, contributions to the Organization qualify for the charitable contribution deduction.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassifications

Certain items in the prior year's financial statements have been reclassified to conform with current year presentation. Such reclassifications have no effect on net income as previously stated.

MEDICINE FOR MALI, INC.
URBANDALE, IOWA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2009 AND 2008

NOTE 2 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of December 31, 2009 and 2008 represent unexpended gifts from donors who specified that they were to be used for the following purposes:

	<u>2009</u>	<u>2008</u>
Construction of Water Well	\$ 10,000	\$ 0
Antibiotics	550	0
Microfinance Loans	1,500	0
Cataract Surgery	75	0
Future Trip Expenses	<u>7,051</u>	<u>0</u>
Total Temporarily Restricted Net Assets	<u>\$ 19,176</u>	<u>\$ 0</u>

NOTE 3 - RELATED PARTIES

During the years ended December 31, 2009 and 2008, the Organization received cash contributions from members of its Board of Directors of \$42,401 and \$18,285, respectively. During the years ended December 31, 2009 and 2008, the Organization received donations in kind from members of its Board of Directors of \$30,484 and \$102,960, respectively.

During the year ended December 31, 2009 and 2008, the Organization provided an advance to a member of its Board of Directors of none and \$4,000, respectively, for future Organization expenses.

NOTE 4 - CONCENTRATIONS

Cash and Cash Equivalents

Cash and cash equivalents held by the Organization at December 31, 2009 and 2008, includes foreign currency of \$3,892 and \$6,708, respectively. It is the opinion of management that the value of the referenced monies is not of particular concern at this time.

Loans Receivable

Loans receivable at December 31, 2009 and 2008 consist of uncollateralized loans provided to the residents of Mali, Africa totaling \$15,310 and \$11,693, respectively.

Contributions

During the years ended December 31, 2009 and 2008, the Organization received approximately 16% and 32%, respectively, of its contributions from members of its Board of Directors.

**MEDICINE FOR MALI, INC.
URBANDALE, IOWA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2009 AND 2008**

NOTE 5 - DONATED SERVICES

The value of donated services included as contributions in the financial statements and the corresponding program expenses for the years ended December 31, 2009 and 2008 include physician and nursing services of \$231,840 and \$229,680, respectively, all of which are included in clinical and medical expenses in the statements of functional expenses.

NOTE 6 - SUBSEQUENT EVENT

The date to which events occurring after December 31, 2009, the date of the most recent statement of financial position, have been evaluated for possible adjustment to the financial statements or disclosure is July 9, 2010, which is the date the financial statements were available to be issued.