

AUDITED FINANCIAL STATEMENTS

ILLINOIS FIREFIGHTERS ASSOCIATION, INC

GLEN CARBON, ILLINOIS

DECEMBER 31, 2007

ILLINOIS FIREFIGHTERS ASSOCIATION, INC.

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INDEPENDENT AUDITOR'S REPORT

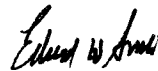
To the Board of Directors
Illinois Firefighters Association, Inc.
Glen Carbon, IL 62034

I have examined the financial statements of **Illinois Firefighters Association, Inc.** as listed in the table of contents as of and for the year ended December 31, 2007. These financial statements are the responsibility of management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States. Those standards require that I 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 statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in Note A, **Illinois Firefighters Association, Inc.** prepares its financial statements on the cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Illinois Firefighters Association, Inc.** as of December 31, 2007, and the results of its operations and changes in the fund balance for the years then ended in conformity with the cash basis of accounting described in Note A to the financial statements.



Certified Public Accountant

Edwardsville, Illinois
June 8, 2008

ILLINOIS FIREFIGHTERS ASSOCIATION, INC
STATEMENT OF FINANCIAL POSITION
ARISING FROM CASH TRANSACTIONS
DECEMBER 31, 2007

	UNRESTRICTED	TEMPORARILY	RESTRICTED	TOTAL	MEMORANDUM
		INDEMNITY	FUNDRAISING		TOTAL
		FUND	ACCOUNT		ONLY
ASSETS					
Checking account					
First National Bank	\$7,730.62	\$35,896.72	\$0.00	\$35,896.72	\$43,627.34
Certificates of Depost					
FCB #811643120	0.00	52,963.06	0.00	52,963.06	52,963.06
FCB #811643122	0.00	51,530.92	0.00	51,530.92	51,530.92
Total Certificates	0.00	104,493.98	0.00	104,493.98	104,493.98
TOTAL ASSETS	\$7,730.62	\$140,390.70	\$0.00	\$140,390.70	\$148,121.32
LIABILITIES AND NET ASSETS					
Liabilities -					
Withheld payroll taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NET ASSETS					
Unrestricted	7,730.62	0.00	0.00	0.00	7,730.62
Temporarily restricted	0.00	140,390.70	0.00	140,390.70	140,390.70
Permanently restricted	0.00	0.00	0.00	0.00	0.00
TOTAL NET ASSETS	7,730.62	140,390.70	0.00	140,390.70	148,121.32
TOTAL LIABILITIES AND NET ASSETS	\$7,730.62	\$140,390.70	\$0.00	\$140,390.70	\$148,121.32

Notes to financial statements are an integral part of these statements.

ILLINOIS FIREFIGHTERS ASSOCIATION, INC
STATEMENT OF ACTIVITIES
AND CHANGES IN NET ASSETS
ARISING FROM CASH TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

	UNRESTRICTED	TEMPORARILY	RESTRICTED	TOTAL	MEMORANDUM
		INDEMNITY	FUNDRAISING		TOTAL
PUBLIC SUPPORT AND REVENUE:		FUND	ACCOUNT		ONLY
Department dues	\$23,497.62	\$0.00	\$0.00	\$0.00	\$23,497.62
Vendor dues	1,200.00	0.00	0.00	0.00	1,200.00
Decals, Pins, Hats, sales	1,157.98	0.00	0.00	0.00	1,157.98
Bulletin Advertising	3,737.50	0.00	0.00	0.00	3,737.50
Conference Receipts	11,900.00	0.00	0.00	0.00	11,900.00
Interest Income	125.96	3,263.72	0.00	3,263.72	3,389.68
Bulletin Subscriptions	90.00	0.00	0.00	0.00	90.00
Redbook Donation From MCFA	1,000.00	0.00	0.00	0.00	1,000.00
Indemnity Assessments	0.00	11,814.81	0.00	11,814.81	11,814.81
Fundraising - CDG	0.00	0.00	488,889.56	488,889.56	488,889.56
Donations	169.00	0.00	0.00	0.00	169.00
Miscellaneous	3,849.24	0.00	0.00	0.00	3,849.24
Assets released from restriction	496,807.56	(7,918.00)	(488,889.56)	(496,807.56)	0.00
TOTAL PUBLIC SUPPORT AND REVENUE	\$543,534.86	\$7,160.53	\$0.00	\$7,160.53	\$550,695.39
EXPENDITURES:					
Program Expenses	\$114,201.50	\$0.00	\$0.00	\$0.00	\$114,201.50
Management & General	41,312.06	0.00	0.00	0.00	41,312.06
Fundraising	419,121.91	0.00	0.00	0.00	419,121.91
TOTAL EXPENDITURES	\$574,635.47	\$0.00	\$0.00	\$0.00	\$574,635.47
EXCESS (DEFICIENCY) OF SUPPORT AND REVENUE OVER (UNDER) EXPENDITURE	(\$31,100.61)	\$7,160.53	\$0.00	\$7,160.53	(\$23,940.08)
NET ASSETS					
Beginning of year	38,831.23	133,230.17	0.00	133,230.17	172,061.40
End of the year	\$7,730.62	\$140,390.70	\$0.00	\$140,390.70	\$148,121.32

Notes to financial statements are an integral part of these statements.

ILLINOIS FIREFIGHTERS ASSOCIATION, INC
STATEMENT OF FUNCTIONAL EXPENSES
ARISING FROM CASH TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

	TOTAL EXPENSE	PROGRAM SERVICES	MANAGEMENT & GENERAL	FUNDRAISING
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EXPENDITURES:				
Salaries	6,580.07	3,290.04	2,961.03	329.00
Payroll taxes	3,788.78	1,894.39	1,704.95	189.44
Audit fees	1,550.00	0.00	1,550.00	0.00
Professional fundraising fees	416,349.00	0.00	0.00	416,349.00
Office supplies	283.61	141.81	127.62	14.18
Telephone	0.00	0.00	0.00	0.00
Postage	639.17	319.59	287.63	31.96
Printing	396.00	198.00	178.20	19.80
Conferences	8,150.91	4,075.46	3,667.91	407.55
Board meeting expenses	15,929.85	7,964.93	7,168.43	796.49
Consultant fees	15,000.00	0.00	15,000.00	0.00
Annual filing fees	20.00	0.00	20.00	0.00
Insurance	1,891.00	945.50	850.95	94.55
Legislative reception	1,930.98	965.49	868.94	96.55
Bulletins	7,358.40	3,679.20	3,311.28	367.92
Registration refunds	1,550.00	775.00	697.50	77.50
Transfer CDG funds to Foundation	78,607.94	78,607.94	0.00	0.00
Secretary/Treasurer expenses	267.64	214.11	26.76	26.76
Indemnity fund expenses	7,918.00	7,918.00	0.00	0.00
Other expenses	6,424.12	3,212.06	2,890.85	321.21
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TOTAL EXPENDITURES	\$574,635.47	\$114,201.50	\$41,312.06	\$419,121.91
	=====	=====	=====	=====

Notes to financial statements are an integral part of these statements.

ILLINOIS FIREFIGHTERS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Illinois Firefighters Association, Inc. recognizes revenues and expenditures on the cash basis of accounting for financial statement purposes. As a result, revenues are recognized in the period received rather than when earned, and expenditures are recorded in the period paid rather than when the liability was incurred.

Tax-Exempt Status

Illinois Firefighters Association, Inc. is an Organization exempt from income tax under Section 501(c)(4) of the Internal Revenue Code.

Basis of Presentation

Although, Illinois Firefighters Association, Inc. uses the cash basis of accounting, the reporting standards of FASB Statement 117 have been adopted. In accounting for not-for-profit organizations, a distinction is made between unrestricted, temporarily restricted and permanently restricted net assets.

Unrestricted Net Assets - are available to finance general operations of the organization and may be expended at the discretion of the governing board.

Temporarily Restricted Net Assets - are similar to permanently restricted net assets except the donor-imposed stipulations either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations.

Indemnity Fund - The indemnity Fund has been established to provide death benefits and injury benefits to individuals within member departments who are disabled either temporarily or permanently, or fatally injured while performing in the line of duty. The maximum amount paid to any individual for a specific injury or death is \$3000. The fund is maintained by assessments paid by member departments, as funds are required to meet benefit payments. The number of assessments will vary each year according to the amount of injury claims made. Excess funds are invested in guaranteed certificates of deposits. Members of the Association may elect not to participate in the Indemnity Fund.

Fundraising - The **Illinois Fighters Association** has entered into an agreement with Civic Development Group where Civic Development Group will raise funds required to pay for the programs provided by the **Illinois Firefighters Association**. In 2007 the gross amount raised by Civic Development Group was \$488,889.56. The Civic Development Group paid \$72,540.56 to **Illinois Firefighters Association** in 2007. The Civic Development Group does not report pledges. The agreement is based on collections. Reference should be made to the agreement for any specific questions.

Permanently Restricted Net Assets - result from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization.