INTERNATIONAL ASSOCIATION OF LAW LIBRARIES FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2006 AND INDEPENDENT AUDITORS' REPORT

Ditmars, Perazza & Co., LLP

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the International Association of Law Libraries:

August 15, 2007

We have audited the accompanying statement of assets, liabilities and net assets – cash basis of the International Association of Law Libraries as of December 31, 2006, and the related statement of support, revenue and expenses – cash basis for the year 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 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 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 audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of the International Association of Law Libraries as of December 31, 2006 and its support, revenues and expenses for the year then ended, on the basis of accounting described in Note 1.

Ditmars, Perazza & Co., LLP

INTERNATIONAL ASSOCIATION OF LAW LIBRARIES STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - CASH BASIS DECEMBER 31, 2006

<u>ASSE</u>	<u>TS:</u>

Cash in the Bank - Wire Transfer Account Certificates of Deposit TOTAL ASSETS \$ 225,15 LIABILITIES AND NET ASSETS: Net Assets - Unrestricted \$ 225,15	•	
Certificates of Deposit TOTAL ASSETS \$ 225,15 LIABILITIES AND NET ASSETS: Net Assets - Unrestricted \$ 225,15	Cash in the Bank - Checking Account	\$ 29,889
TOTAL ASSETS \$ 225,15 LIABILITIES AND NET ASSETS: Net Assets - Unrestricted \$ 225,15	Cash in the Bank - Wire Transfer Account	6,249
LIABILITIES AND NET ASSETS: Net Assets - Unrestricted \$ 225,15	Cerlificates of Deposit	189,017
Net Assets - Unrestricted \$ 225,15	TOTAL ASSETS	\$ 225,155
Net Assets - Unrestricted \$ 225,15		
Net Assets - Unrestricted \$ 225,15		
	LIABILITIES AND NET ASSETS:	
TOTAL LIABILITIES AND NET ASSETS \$ 225,15	Net Assets - Unrestricted	\$ 225,155
	TOTAL LIABILITIES AND NET ASSETS	\$ 225,155

See the Notes to the Financial Statements.

INTERNATIONAL ASSOCIATION OF LAW LIBRARIES STATEMENT OF SUPPORT, REVENUES AND EXPENSES - CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2006

SUPPORT AND REVENUE:

\$810 \$31,025 \$2007 \$1,900 \$2,006 \$1,900 \$1,900 \$1,900 \$1,678 \$1,	Membership Dues:	
1,900 1,900 1,4437 1,900 1,4437 1,900 1,4437 1,900 1,4437 1,900 1,678	·	\$ 810
Sponsorships IALL and AALL	2006	31,025
Conference registration fees - St. Petersburg 31,678 Conference registration fees - Moscow 7,210 Royalty Income - Westlaw 1,162 Interest Earned 4,474 TOTAL SUPPORT AND REVENUE 92,696 EXPENSES:	2007	•
Conference registration fees - St. Petersburg	Sponsorships IALL and AALL	14,437
Conference registration fees - Moscow 7,210 Royalty Income - Westlaw 1,162 Interest Earned 4,474 TOTAL SUPPORT AND REVENUE 92,696 EXPENSES:		31,678
Royalty Income - Westlaw Interest Earned	• • • • • • • • • • • • • • • • • • • •	7,210
Interest Earned		1,162
EXPENSES: Administration: 6,144 Admilbox and mailing 335 Website 1,000 Audit fees 2,500 Bank Charges 149 Conference Expenses: 302 AALL Reception 3,073 Florence 302 Mumbai 5,700 St. Petersburg 53,172 Credit Card Fees 1,407 Journal Expenses: 4,417 Administrative Assistant 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244		4,474
Adminstration: 6,144 Mailbox and mailing 335 Website 1,000 Audit fees 2,500 Bank Charges 149 Conference Expenses: 302 AALL Reception 3,073 Florence 302 Mumbai 5,700 St. Petersburg 53,172 Credit Card Fees 1,407 Journal Expenses: 4 Administrative Assistant 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	TOTAL SUPPORT AND REVENUE	92,696
Admistrative 6,144 Mailbox and mailing 335 Website 1,000 Audit fees 2,500 Bank Charges 149 Conference Expenses: 302 AALL Reception 3,073 Florence 302 Mumbai 5,700 St. Petersburg 53,172 Credit Card Fees 1,407 Journal Expenses: 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	EXPENSES:	
Mailbox and mailing 335 Website 1,000 Audit fees 2,500 Bank Charges 149 Conference Expenses: 3,073 Florence 302 Mumbai 5,700 St. Petersburg 53,172 Credit Card Fees 1,407 Journal Expenses: 4,407 Administrative Assistant 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Adminstration:	
Website 1,000 Audit fees 2,500 Bank Charges 149 Conference Expenses: 3,073 AALL Reception 3,073 Florence 302 Mumbai 5,700 St. Petersburg 53,172 Credit Card Fees 1,407 Journal Expenses: 3,000 Administrative Assistant 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	∧dmistrative	•
Audit fees 2,500 Bank Charges 149 Conference Experises: AALL Reception 3,073 Florence 302 Mumbai 5,700 St. Petersburg 53,172 Credit Card Fees 1,407 Journal Expenses: Administrative Assistant 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Mailbox and mailing	
Bank Charges 149 Conference Expenses: 3,073 AALL Reception 3,073 Florence 302 Mumbai 5,700 St. Petersburg 53,172 Credit Card Fees 1,407 Journal Expenses: 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Website	•
Conference Expenses: 3,073 AALL Reception 3,073 Florence 302 Mumbai 5,700 St. Petersburg 53,172 Credit Card Fees 1,407 Journal Expenses: 3,000 Administrative Assistant 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Audit fees	
AALL Reception 3,073 Florence 302 Mumbai 5,700 St. Petersburg 53,172 Credit Card Fees 1,407 Journal Expenses: 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Bank Charges	149
Florence 302	Conference Expenses:	
Mumbai 5,700 St. Petersburg 53,172 Credit Card Fees 1,407 Journal Expenses: 3,000 Administrative Assistant 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	AALL Reception	•
St. Petersburg Credit Card Fees Journal Expenses: Administrative Assistant Editor Expenses Memberships - IFLA Scholarships TOTAL EXPENSES EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 53,172 1,407 3,000 1,407 3,000 1,407 1,4	Florence	
Credit Card Fees 1,407 Journal Expenses: Administrative Assistant 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Mumbai	
Journal Expenses: Administrative Assistant 3,000 Editor Expenses 4,417 Memberships - IFLA 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	St. Petersburg	· ·
Administrative Assistant Editor Expenses 4,417 Memberships - IFLA Scholarships 586 Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Credit Card Fees	1,407
Editor Expenses Memberships - IFLA Scholarships TOTAL EXPENSES EXCESS SUPPORT AND REVENUE OVER EXPENSES NET ASSETS, BEGINNING OF THE YEAR 4,417 586 6,000 7,785 4,911	Journal Expenses:	
Memberships - IFLA Scholarships TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Administrative Assistant	3,000
Scholarships 6,000 TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Editor Expenses	4,417
TOTAL EXPENSES 87,785 EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Memberships - IFLA	
EXCESS SUPPORT AND REVENUE OVER EXPENSES 4,911 NET ASSETS, BEGINNING OF THE YEAR 220,244	Scholarships	6,000
NET ASSETS, BEGINNING OF THE YEAR 220,244	TOTAL EXPENSES	87,785
	EXCESS SUPPORT AND REVENUE OVER EXPENSES	4,911
NET ASSETS, END OF THE YEAR \$ 225,155	NET ASSETS, BEGINNING OF THE YEAR	220,244
	NET ASSETS, END OF THE YEAR	\$ 225,155

See the Notes to the Financial Statements.

INTERNATIONAL ASSOCIATION OF LAW LIBRARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The International Association of Law Libraries (IALL) policy is to prepare its financial statements on the cash basis of accounting; consequently, certain revenues are recognized when received rather than when earned, and certain expenses are recognized when cash is disbursed rather than when the obligation is incurred.

Organization

IALL is incorporated in Washington, DC as a not-for-profit corporation. IALL is a worldwide organization of librarians, libraries, and other persons and institutions concerned with the acquisition of legal information emanating from sources other than from their jurisdictions. The basic purpose of the IALL is to promote on a world-wide cooperative and non-profit basis the works of individuals, libraries, and other organizations concerned with all aspects of legal information, and to facilitate the use of such information.

Tax Exempt Status

Income taxes are not provided in the financial statements since IALL is exempt from federal and state income taxes under Section 501©(3). IALL is not classified as a private foundation.

Certificates of Deposit

The Certificates of Deposit are detailed as follows:

	Issue Amount	Interest Rate	Value at December 31, 2006
Certificate of Deposit # 1	\$ 50,000	3.4 %	\$ 64,875
Certificate of Deposit # 2	30,000	3.4	38,060
Certificate of Deposit # 3	30,000	3.4	31,921
Certificate of Deposit # 4	50,000	3.92	54,161
Total			\$ 189,017