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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
International Association of Law Libraries
Charlottesville, Virginia

We have audited the accompanying financial statements of the International Association of Law Libraries (a nonprofit organization) which comprise the statement of assets, liabilities, and net assets - cash basis as of December 31, 2013, and the related statement of support, revenue, and expenses - cash basis 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 this financial statement in accordance with the cash basis of accounting described in Note 2; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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.

Auditors’ 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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 statement.

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 assets, liabilities, and net assets of the International Association of Law Libraries as of December 31, 2013, and its support, revenue, and expenses for the year then ended in accordance with the cash basis of accounting as described in Note 2.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. These financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Charlottesville, Virginia
September 5, 2014
- Financial Statements -
# International Association of Law Libraries

**Statement of Assets, Liabilities, and Net Assets - Cash Basis**

**At December 31, 2013**

## ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in bank - Checking</td>
<td>$8,559</td>
</tr>
<tr>
<td>Cash in bank - Savings</td>
<td>209,562</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>97,947</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$316,068</strong></td>
</tr>
</tbody>
</table>

## NET ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>$316,068</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>$316,068</strong></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of this statement.
International Association of Law Libraries

Statement of Support, Revenue, and Expenses - Cash Basis
For the Year Ended December 31, 2013

<table>
<thead>
<tr>
<th>Unrestricted</th>
</tr>
</thead>
</table>

Revenues and other support:
- Membership dues $ 46,558
- Sponsorship income $ 47,365
- Conference registration fees $ 48,999
- Royalty income $ 2,531
- Interest income $ 1,491
**Total revenue and other support** $ 146,944

Expenses:

Program:
- Conferences $ 41,000
- Joint reception $ 1,000
- Journal - Editorial support $ 4,500
- Board meetings $ 1,657
- Board travel reimbursement $ 24,870
- Scholarships $ 6,000
**Total program expenses** $ 79,027

Management and General:
- Audit fees $ 2,600
- Admin fees $ 3,000
- Website hosting/maintenance $ 3,964
- Credit card and bank charges $ 4,041
- Mailbox $ 320
- Miscellaneous $ 653
**Total management and general expenses** $ 14,578

**Total expenses** $ 93,605

Change in net assets $ 53,339

Net assets, beginning of year $ 262,729

Net assets, end of year $ 316,068

The accompanying notes are an integral part of this statement.
NOTE 1 - ORGANIZATION:

The International Association of Law Libraries (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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting

The IALL prepares 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.

Cash and Cash Equivalents

IALL considers cash and cash equivalents to include cash on hand and certificates of deposit.

Income Taxes

No provision is made for income taxes in the financial statements since IALL is exempt from federal and state income taxes under Section 501(c)(4). IALL is not classified as a private foundation. IALL’s tax returns for the past three years remain subject to examination by the Internal Revenue Service.

In June 2006 the Financial Accounting Standards Board issued FIN 48, Accounting for Uncertainty in Income Taxes, which prescribes how an entity should measure, recognize, present, and disclose in its financial statements tax positions that an organization has taken or expects to take on its information returns. FIN 48 is effective for years beginning after December 31, 2008 for nonpublic entities.

IALL regularly reviews and evaluates its tax positions taken in previously filed information returns with regard to issues affecting its tax exempt status, unrelated business income, and related matters. Based on the IALL’s evaluation of its positions relating to any relevant matters, no tax benefits or liabilities are required to be recognized in accordance with FIN 48.

NOTE 3 - CERTIFICATES OF DEPOSIT:

The Certificates of Deposit are detailed as follows:

<table>
<thead>
<tr>
<th>Certificate of Deposit</th>
<th>Issue Amount</th>
<th>Balance at December 31, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate of Deposit #1</td>
<td>$ 30,000</td>
<td>$ 35,216</td>
</tr>
<tr>
<td>Certificate of Deposit #2</td>
<td>$ 50,000</td>
<td>$ 62,731</td>
</tr>
<tr>
<td>Total certificates of deposit</td>
<td>$</td>
<td>$ 97,947</td>
</tr>
</tbody>
</table>
NOTE 4 - FUNCTIONAL ALLOCATION OF EXPENSES:

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the statement of support, revenue, and expenses - cash basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 5 – CONCENTRATIONS OF CREDIT RISK:

IALL maintains cash balances at financial institutions located within its market area. The amount at each institution is insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. From time to time, the balances maintained at one or more institutions may exceed the maximum amount insured by the FDIC. At December 31, 2013, the uninsured cash balance was $66,069.

NOTE 6 – THE BARCELONA CONFERENCE:

During the year the IALL held its annual conference in Barcelona. In connection with the conference, revenue and expenses for the conference were received and paid through the accounts of the IALL as well as through the accounts of the Local Organizing Committee.

NOTE 7 - DATE OF MANAGEMENT’S REVIEW:

In preparing these financial statements, management of the IALL has evaluated events and transactions for potential recognition or disclosure through September 5, 2014, the day the financial statements were available to be issued.