

INTERNATIONAL ASSOCIATION
OF FIRE FIGHTERS
AND ITS
SUBSIDIARY AND AFFILIATES

Consolidated Financial Statements
and
Independent Auditor's Report

September 30, 2007

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PRIVATE COMPANIES
PRACTICE SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
International Association of Fire Fighters

We have audited the accompanying consolidated balance sheet of the International Association of Fire Fighters (the Association) and its subsidiary and affiliates as of September 30, 2007, and the related consolidated statements of changes in unrestricted net assets/equity and changes in net assets/equity and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Association, subsidiary, and affiliates' September 30, 2006 balance sheets and in our reports, with various dates, we expressed an unqualified opinion on those balance sheets.

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 our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the International Association of Fire Fighters and its subsidiary and affiliates as of September 30, 2007 and the changes in their net assets/equity and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Stokes & Company, P.C.
STOKES & COMPANY, P.C.
Washington, D.C.

January 22, 2008

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED BALANCE SHEET
SEPTEMBER 30, 2007
With comparative totals for September 30, 2006

FUNDS

ASSETS

CURRENT ASSETS

	General Fund	Emergency Disasters Fund	Grants and Contracts	Political Action Committees	Reward Fund	Alumni Association	PROP Fund	Other	Eliminating Entries	TOTAL	2006 TOTAL
Cash and cash equivalents (notes B and L)	\$ 3,582,743	\$ 1,601,304	\$ 40,884	\$ 1,149,478	\$ 29,599	\$ 290,867	\$ 270,858	\$ 2,659,806	\$ -	\$ 9,625,539	\$ 10,459,017
Temporary investments (notes B and G2)	10,025,920	-	-	-	-	-	-	1,524,721	-	11,550,641	10,821,055
Loans to affiliates, net of allowance for doubtful accounts (note D)	-	464,383	-	-	-	-	-	-	-	464,383	502,013
Pledges receivable (note A9)	-	-	-	-	-	-	-	-	-	-	312,756
Grants receivable (note A9)	-	-	1,636,456	-	-	-	-	314,600	-	1,951,056	1,896,815
Accounts receivable (note A9)	1,493,345	-	-	11,478	-	-	-	235,691	(1,101)	1,739,213	1,959,078
Prepaid expenses	201,433	-	1,472	72,068	-	-	-	15,813	-	290,786	409,213
Inventories (note A5)	112,103	-	-	-	-	-	-	7,261	-	119,364	123,593
Interfund receivables (note Q3)	3,802,410	-	20,950	1,052,792	-	-	78,524	9,500	(4,964,176)	-	-
Total current assets	19,217,954	2,065,687	1,699,762	2,285,816	29,599	290,867	349,382	4,767,192	(4,965,277)	25,740,982	26,485,540

LOANS TO AFFILIATES, net of current portion (note D)

	-	1,069,333	-	-	-	-	-	-	-	1,069,333	1,146,831
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INVESTMENTS (note A6)

IAFF Financial Corporation	89,368	-	-	-	-	-	-	-	(89,368)	-	-
United Unions, Inc.	862,221	-	-	-	-	-	-	-	-	862,221	572,584

PROPERTY AND EQUIPMENT - at cost (note A7)

Furniture and equipment, net of accumulated depreciation of \$2,499,981 and \$2,304,731 for 2007 and 2006, respectively	463,817	-	45,400	-	-	-	-	33,521	-	542,738	514,982
Leasehold improvements, net of accumulated amortization of \$1,298,959 and \$1,232,367 for 2007 and 2006, respectively	315,150	-	-	-	-	-	-	2,336	-	317,486	376,796

COLLECTIONS (note A8)

	-	-	-	-	-	-	-	423,953	-	423,953	423,953
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OTHER ASSETS

Deferred compensation investments (note F)	2,504,386	-	-	-	-	-	-	-	-	2,504,386	2,276,233
Deposits	-	-	-	-	-	-	-	862	-	862	862
Deferred pension cost (note F)	-	-	-	-	-	-	-	-	-	-	6,457,606

Total assets

	\$ 23,452,896	\$ 3,135,020	\$ 1,745,162	\$ 2,285,816	\$ 29,599	\$ 290,867	\$ 349,382	\$ 5,227,864	\$ (5,054,645)	\$ 31,461,961	\$ 38,253,387
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FUNDS

LIABILITIES AND NET ASSETS/EQUITY

	General Fund	Emergency Disputes Fund	Grants and Contracts	Political Action Committees	Reward Fund	Alumni Association	PROP Fund	Other	Eliminating Entries	TOTAL	2006 TOTAL
CURRENT LIABILITIES											
Bank overdraft	\$ 1,012,847	-	\$ 425,706	\$ 82,484	-	\$ 1,448	-	\$ 95,718	\$ (1,101)	\$ 1,617,102	\$ 145,910
Accounts payable	-	-	-	-	-	-	-	-	-	-	4,167,295
Accrued expenses	253,844	-	62,197	-	-	-	-	-	-	316,041	277,418
Salaries and wages	59,533	-	-	-	-	-	-	-	-	59,533	7,013
Employee expense reimbursements	1,577,749	-	-	-	-	-	-	1,427	-	1,579,176	1,642,627
Vacation and sick leave (note E)	646,384	-	-	-	-	-	-	-	-	646,384	647,568
Severance (note E)	14,401	-	-	-	-	-	-	-	-	14,401	11,535
Compensatory time (note E)	55,328	-	534	-	-	-	-	-	-	55,862	9,656
Payroll taxes and withholdings	-	-	-	-	-	-	-	-	-	-	-
401(k) withholding (note F)	529,465	-	-	-	-	-	-	-	-	529,465	72,300
Accrued pension liability (note F)	-	-	-	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-
Income taxes	-	-	-	-	-	-	-	3,034	-	3,034	174
Deferred revenues (note A9)	276,170	-	45,400	-	-	-	-	438,071	-	759,641	414,814
Promises to give	-	-	-	-	-	-	-	97,128	-	97,128	25,892
Line of credit (note G2)	-	-	-	-	-	-	-	-	-	-	250,000
Interfund payables (note Q3)	-	707,667	2,854,053	-	-	111,888	-	1,290,568	(4,964,176)	-	-
Total current liabilities	4,425,721	707,667	3,387,890	82,484	-	113,336	-	1,925,946	(4,965,277)	5,677,767	7,672,202
LONG-TERM LIABILITIES											
Accrued pension liability, net current portion (note F)	4,765,184	-	-	-	-	-	-	-	-	4,765,184	-
Deferred compensation liability (note F)	2,504,386	-	-	-	-	-	-	-	-	2,504,386	2,276,233
Total liabilities	11,695,291	707,667	3,387,890	82,484	-	113,336	-	1,925,946	(4,965,277)	12,947,337	9,948,435
COMMITMENTS AND CONTINGENCIES (note G)											
EQUITY											
Capital stock	-	-	-	-	-	-	-	\$	(5)	-	-
Paid-in capital	-	-	-	-	-	-	-	89,363	(89,363)	-	-
Retained earnings	-	-	-	-	-	-	-	283,975	-	283,975	14,930
NET ASSETS (notes A3 and O)											
Unrestricted	-	2,427,353	-	-	-	-	-	-	-	2,427,353	2,752,749
Designated	11,757,605	-	(1,642,728)	-	-	-	2,618	2,518,771	-	12,636,266	22,379,842
Undesignated	-	-	-	-	-	-	-	-	-	-	-
Total unrestricted net assets	11,757,605	2,427,353	(1,642,728)	-	-	-	2,618	2,518,771	-	15,063,619	25,132,591
Total equity	-	-	-	-	-	-	-	373,343	(89,368)	283,975	14,930
Total net assets/equity	-	-	-	2,203,332	29,599	177,531	346,764	(14,149)	-	2,743,077	2,733,478
Temporarily restricted	-	-	-	-	-	-	-	423,953	-	423,953	423,953
Permanently restricted	11,757,605	2,427,353	(1,642,728)	2,203,332	29,599	177,531	349,382	3,301,918	(89,368)	18,514,624	28,304,952
Total liabilities and net assets/equity	\$ 23,452,896	\$ 3,135,020	\$ 1,745,162	\$ 2,285,816	\$ 29,599	\$ 290,867	\$ 349,382	\$ 5,227,864	\$ (5,054,645)	\$ 31,461,961	\$ 38,253,387

The accompanying notes are an integral part of this financial statement.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED BALANCE SHEET - OTHER
SEPTEMBER 30, 2007

With comparative totals for September 30, 2006

	IAFF Financial Corporation	International Association of Fire Fighters Burn Foundation	John P. Redmond Memorial Foundation	The New York September 11 Firefighters Counseling Support Foundation	International Association of Fire Fighters Disaster Relief Fund	IAFF Fallen Fire Fighter Memorial Fund, Inc.	W. H. "Howie" McClellan Scholarship Fund	2006 TOTAL
ASSETS								
CURRENT ASSETS								
Cash and cash equivalents (notes B and L)	\$ 202,527	\$ 576,162	\$ 449,287	\$ 369,452	\$ 996,707	\$ 39,636	\$ 26,035	\$ 2,392,369
Temporary investments (notes B and G2)	-	-	70,322	316,339	527,232	-	610,828	1,536,603
Loans to affiliates, net of allowance for doubtful accounts (note D)	-	-	-	-	-	-	-	-
Pledges receivable (note A9)	-	-	-	-	-	-	-	-
Grants receivable (note A9)	-	314,600	-	-	-	-	-	312,756
Accounts receivable (note A9)	176,279	46,020	100	4,967	8,105	20	-	166,109
Prepaid expenses	9,377	5,975	-	461	-	-	-	20,998
Inventories (note A5)	-	7,261	-	-	-	-	-	11,147
Interfund receivables (note Q3)	-	-	-	-	9,500	-	-	-
Total current assets	388,183	950,018	519,709	691,219	1,541,544	39,656	636,863	4,439,982
LOANS TO AFFILIATES, net of current portion (note D)	-	-	-	-	-	-	-	-
INVESTMENTS (note A6)								
IAFF Financial Corporation	-	-	-	-	-	-	-	-
United Unions, Inc.	-	-	-	-	-	-	-	-
PROPERTY AND EQUIPMENT - at cost (note A7)								
Furniture and equipment, net of accumulated depreciation of \$13,906 and \$22,170 for 2007 and 2006, respectively	18,331	15,190	-	-	-	-	-	25,240
Leasehold improvements, net of accumulated amortization of \$869 and \$709 for 2007 and 2006, respectively	-	-	-	-	-	2,336	-	2,496
COLLECTIONS (note A8)								
	-	-	-	-	-	423,953	-	423,953
OTHER ASSETS								
Deferred compensation investments (note F)	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	862	-	862
Deferred pension cost (note F)	-	-	-	-	-	-	-	-
Total assets	\$ 406,514	\$ 965,208	\$ 519,709	\$ 691,219	\$ 1,541,544	\$ 466,807	\$ 636,863	\$ 4,892,533

[illegible]

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED STATEMENT OF CHANGES IN UNRESTRICTED NET ASSETS/EQUITY
YEAR ENDED SEPTEMBER 30, 2007

FUNDS										
	General Fund	Emergency Disputes Fund	Grants and Contracts	Political Action Committees	Reward Fund	Alumni Association	PROP Fund	Other	Eliminations	TOTAL
UNRESTRICTED REVENUES AND OTHER SUPPORT (notes A9 and H)										
Per capita tax	\$ 26,879,649	\$ 1,027,308	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,073	\$ (128,073)	\$ 27,906,957
Conference and seminar registration fees	1,256,045	-	-	-	-	-	-	-	-	1,256,045
Contributions	133,783	-	-	-	-	-	-	737,197	(456,669)	414,311
Royalties	602,011	-	-	-	-	-	-	851,943	-	1,453,954
Initiation, reinstatement and charter fees	195,380	-	-	-	-	-	-	-	-	195,380
Investment income (note C)	611,423	45,971	-	-	-	-	-	89,152	-	746,546
Proceeds from sales	24,629	351,726	-	-	-	-	-	85,990	-	85,990
Reimbursed legal expenses	1,136,627	462	-	-	-	-	-	-	-	376,355
Other revenues	-	-	-	-	-	-	-	95,556	(180,000)	1,052,645
Total unrestricted revenues and other support	30,839,547	1,425,467	-	-	-	-	-	1,987,911	(764,742)	33,488,183
Net assets released from restrictions	-	-	7,288,680	6,463,392	-	44,830	141	825,923	-	14,622,966
Total unrestricted revenues and other support and net assets released from restrictions	30,839,547	1,425,467	7,288,680	6,463,392	-	44,830	141	2,813,834	(764,742)	48,111,149
EXPENSES (note K)										
Program services	11,957,097	1,767,947	8,066,338	6,497,006	-	44,830	141	1,712,507	(764,742)	29,281,124
Supporting services	15,657,276	-	-	-	-	-	-	553,818	-	16,211,094
Operating expenses	-	-	-	-	-	-	-	452,686	-	452,686
Foreign exchange (gain)/loss (note M)	350,957	(8,398)	52	(33,614)	-	-	(2,618)	(837)	-	305,542
Total expenses	27,965,330	1,759,549	8,066,390	6,463,392	-	44,830	(2,477)	2,718,174	(764,742)	46,250,446
Change in unrestricted net assets/equity before change in cumulative foreign currency translation and income taxes	2,874,217	(334,082)	(777,710)	-	-	-	2,618	95,660	-	1,860,703
Income taxes	-	-	-	-	-	-	-	(174,998)	-	(174,998)
Change in cumulative foreign currency translation (note M)	506,215	8,686	(178)	-	-	-	-	1,130	-	515,853
Change in unrestricted net assets/equity before effect of adoption of FASB Statement No. 158 (note F)	3,380,432	(325,396)	(777,888)	-	-	-	2,618	(78,208)	-	2,201,558
Effect of adoption of recognition provisions of FASB Statement No. 158 (note F)	(12,001,485)	-	-	-	-	-	-	-	-	(12,001,485)
Net assets/equity at beginning of year	20,378,658	2,752,749	(864,840)	-	-	-	-	2,880,954	-	25,147,521
Transfers of net assets	-	-	-	-	-	-	-	-	-	-
Net assets/equity at end of year	\$ 11,757,605	\$ 2,427,353	\$ (1,642,728)	\$ -	\$ -	\$ -	\$ 2,618	\$ 2,802,746	\$ -	\$ 15,347,594

The accompanying notes are an integral part of this financial statement.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED STATEMENT OF CHANGES IN UNRESTRICTED NET ASSETS/EQUITY - OTHER
YEAR ENDED SEPTEMBER 30, 2007

UNRESTRICTED REVENUES AND OTHER SUPPORT (notes A9 and H)									
	IAFF Financial Corporation	International Association of Fire Fighters Burn Foundation	John P. Redmond Memorial Foundation	The New York September 11 Firefighters Counseling Support Foundation	International Association of Fire Fighters Disaster Relief Fund	IAFF Fallen Fire Fighter Memorial Fund, Inc.	W.H. "Howie" McClellan Scholarship Fund	TOTAL	
Allocated per capita tax	\$ -	\$ -	\$ 128,073	\$ -	\$ -	\$ -	\$ -	\$	128,073
Conference and seminar registration fees	-	-	-	-	-	-	-	-	-
Contributions	-	190,746	1,127	40,761	42,874	455,874	5,815	737,197	737,197
Royalties	807,451	31,437	-	-	-	-	13,055	851,943	851,943
Initiation, reinstatement and charter fees	-	-	-	-	-	-	-	-	-
Investment income (note C)	4,878	132	3,388	17,429	32,004	9	31,312	89,152	89,152
Proceeds from sales	-	85,990	-	-	-	-	-	85,990	85,990
Reimbursed legal expenses	-	-	-	-	-	-	-	-	-
Other revenues	84,400	7,136	-	-	-	4,020	-	95,556	95,556
Total unrestricted revenues and other support	896,729	315,441	132,588	58,190	74,878	459,903	50,182	1,987,911	1,987,911
Net assets released from restrictions	-	825,923	-	-	-	-	-	825,923	825,923
Total unrestricted revenues and other support and net assets released from restrictions	896,729	1,141,364	132,588	58,190	74,878	459,903	50,182	2,813,834	2,813,834
EXPENSES (note K)									
Program services	-	990,168	5,529	200,190	77,226	355,144	86,250	1,712,507	1,712,507
Supporting services	-	235,279	68,819	134,315	12,732	92,498	10,175	553,818	553,818
Operating expenses	452,686	-	-	-	-	-	-	452,686	452,686
Foreign exchange (gain)/loss (note M)	-	212	(1,049)	-	-	-	-	(837)	(837)
Total expenses	452,686	1,225,659	73,299	334,505	89,958	445,642	96,425	2,718,174	2,718,174
Change in unrestricted net assets/equity before change in cumulative foreign currency translation and income taxes	444,043	(84,295)	59,289	(276,315)	(15,080)	14,261	(46,243)	95,660	95,660
Income taxes	(174,998)	-	-	-	-	-	-	(174,998)	(174,998)
Change in cumulative foreign currency translation (note M)	-	-	1,130	-	-	-	-	1,130	1,130
Change in unrestricted net assets/equity before effect of adoption of FASB Statement No. 158 (note F)	269,045	(84,295)	60,419	(276,315)	(15,080)	14,261	(46,243)	(78,208)	(78,208)
Effect of adoption of recognition provisions of FASB Statement No. 158 (note F)	-	-	-	-	-	-	-	-	-
Net assets/equity at beginning of year	14,930	(73,324)	(128,150)	849,359	1,507,640	28,593	681,906	2,880,954	2,880,954
Transfer of net assets/equity	-	-	-	-	-	-	-	-	-
Net assets/equity at end of year	\$ 283,975	\$ (157,619)	\$ (67,731)	\$ 573,044	\$ 1,492,560	\$ 42,854	\$ 635,663	\$ 2,802,746	\$ 2,802,746

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY
YEAR ENDED SEPTEMBER 30, 2007

	FUNDS									
	General Fund	Emergency Disputes Fund	Grants and Contracts	Political Action Committee	Reward Fund	Alumni Association	PROSP Fund	Other	Eliminations	TOTAL
CHANGES IN UNRESTRICTED NET ASSETS/EQUITY										
Revenues and other support and net assets released from restrictions (notes A9 and H)	\$ 30,839,547	\$ 1,425,467	\$ 7,288,680	\$ 6,463,392	\$ -	\$ 44,830	\$ 141	\$ 2,813,834	\$ (764,742)	\$ 48,111,149
Expenses	(27,614,373)	(1,767,947)	(8,066,338)	(6,497,006)	-	(44,830)	(141)	(2,719,011)	764,742	(45,944,594)
Income taxes	-	-	-	-	-	-	-	(174,998)	-	(174,998)
Foreign exchange gain/(loss) (note M)	(350,957)	8,398	(52)	33,614	-	-	2,618	837	-	(305,542)
Change in cumulative foreign currency translation (note M)	506,215	8,686	(178)	-	-	-	-	1,130	-	515,853
Change in unrestricted net assets/equity before effect of adoption of FASB Statement No. 158 (note F)	3,380,432	(325,396)	(777,888)	-	-	-	2,618	(78,208)	-	2,201,558
Effect of adoption of recognition provisions of FASB Statement No. 158 (note F)	(12,001,485)	-	-	-	-	-	-	-	-	(12,001,485)
Net assets/equity at beginning of year	20,378,658	2,752,749	(864,840)	-	-	-	-	2,880,954	-	25,147,521
Transfers of net assets	-	-	-	-	-	-	-	-	-	-
Net assets/equity at end of year	\$ 11,757,605	\$ 2,427,353	\$ (1,642,728)	\$ -	\$ -	\$ -	\$ 2,618	\$ 2,802,746	\$ -	\$ 15,347,594
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS/EQUITY										
Revenues and other support (notes A9 and H)	\$ -	\$ -	\$ -	\$ 3,754,308	\$ -	\$ -	\$ 320,183	\$ -	\$ -	\$ 4,074,491
Allocated per capita tax	-	-	-	2,279,147	-	-	-	-	-	2,279,147
Contributions	-	-	7,288,637	-	-	-	-	811,774	-	8,100,411
Grants and contracts	-	-	43	52,119	105	9,013	-	-	-	61,280
Investment income (note C)	-	-	-	19,473	-	-	-	-	-	19,473
Other income	-	-	-	76,594	-	1,746	-	-	-	78,340
Proceeds from sales	-	-	-	18,804	-	-	219	-	-	19,023
Change in cumulative foreign currency translation (note M)	-	-	-	-	-	-	-	-	-	-
Total revenues and other support	-	-	7,288,680	6,200,845	105	10,759	320,402	811,774	-	14,632,565
Net assets released from restrictions	-	-	(7,288,680)	(6,463,392)	-	(44,830)	(141)	(825,923)	-	(14,622,966)
Change in temporarily restricted net assets/equity	-	-	-	(262,547)	105	(34,071)	320,261	(14,149)	-	9,599
Net assets/equity at beginning of year	-	-	-	2,465,879	29,494	211,602	26,503	-	-	2,733,478
Net assets/equity at end of year	\$ -	\$ -	\$ -	\$ 2,203,332	\$ 29,599	\$ 177,531	\$ 346,764	\$ (14,149)	\$ -	\$ 2,743,077
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS/EQUITY										
Revenues and other support (notes A9 and H)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Allocated per capita tax	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-
Change in permanently restricted net assets/equity	-	-	-	-	-	-	-	-	-	-
Net assets/equity at beginning of year	-	-	-	-	-	-	-	423,953	-	423,953
Net assets/equity at end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 423,953	\$ -	\$ 423,953
CHANGES IN TOTAL NET ASSETS/EQUITY										
Revenues and other support and net assets released from restrictions (notes A9 and H)	\$ 30,839,547	\$ 1,425,467	\$ 7,288,680	\$ 6,182,041	\$ 105	\$ 10,759	\$ 320,183	\$ 2,799,685	\$ (764,742)	\$ 48,101,725
Expenses	(27,614,373)	(1,767,947)	(8,066,338)	(6,497,006)	-	(44,830)	(141)	(2,719,011)	764,742	(45,944,904)
Income taxes	-	-	-	-	-	-	-	(174,998)	-	(174,998)
Foreign exchange gain/(loss) (note M)	(350,957)	8,398	(52)	33,614	-	-	2,618	837	-	(305,542)
Change in cumulative foreign currency translation (note M)	506,215	8,686	(178)	-	-	-	-	1,130	-	534,876
Change in net assets/equity before effect of adoption of FASB Statement No. 158 (note F)	3,380,432	(325,396)	(777,888)	(262,547)	105	(34,071)	322,879	(92,357)	-	2,211,157
Effect of adoption of recognition provisions of FASB Statement No. 158 (note F)	(12,001,485)	-	-	-	-	-	-	-	-	(12,001,485)
Net assets/equity at beginning of year	20,378,658	2,752,749	(864,840)	2,465,879	29,494	211,602	26,503	3,304,907	-	28,304,952
Transfers of net assets	-	-	-	-	-	-	-	-	-	-
Net assets/equity at end of year	\$ 11,757,605	\$ 2,427,353	\$ (1,642,728)	\$ 2,203,332	\$ 29,599	\$ 177,531	\$ 349,382	\$ 3,212,550	\$ -	\$ 18,514,624

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

CHANGES IN UNRESTRICTED NET ASSETS/EQUITY

9

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2007

	FUNDS							
	General Fund	Emergency Disputes Fund	Grants and Contracts	Political Action Committees	Reward Fund	Alumni Association	PROP Fund	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES								
Per capita tax received from members	\$ 26,709,151	\$ 1,613,919	\$ -	\$ 2,719,940	\$ -	\$ 131,050	\$ 268,162	\$ 31,442,222
Grants and contributions received	-	-	7,529,540	2,279,147	-	-	-	11,496,961
Royalties received	-	-	-	19,473	-	-	-	32,528
Interest received	842,060	45,971	43	52,119	105	9,013	-	1,036,743
Net sales revenue	-	-	-	12,452	-	1,746	-	34,289
Other revenue received	3,685,610	352,188	-	-	-	-	-	48,487
Payments to vendors, suppliers and employees	(30,837,944)	(1,638,221)	(7,488,469)	(2,318,101)	-	(54,171)	(141)	5,339,914
Aid paid to affiliates	-	(129,726)	-	-	-	-	-	(44,938,980)
Political contributions paid	-	-	-	(3,595,175)	-	-	-	(129,726)
Net cash provided (used) by operating activities	398,877	244,131	41,114	(830,145)	105	87,638	268,021	732,974
CASH FLOWS FROM INVESTING ACTIVITIES								
Note and loan repayments received	-	435,639	-	-	-	-	-	435,639
New loans made to affiliates	-	(375,195)	-	-	-	-	-	(375,195)
Temporary investments	-	-	-	-	-	-	-	-
New acquisitions	(7,450,180)	-	-	-	-	-	-	(7,531,186)
Proceeds from redemptions	6,698,330	-	-	-	-	-	-	6,788,330
Deferred compensation investments	-	-	-	-	-	(81,006)	-	90,000
New acquisitions	(339,801)	-	-	-	-	-	-	(339,801)
United Union special assessment	(289,637)	-	-	-	-	-	-	(289,637)
Property and equipment	-	-	-	-	-	-	-	-
New acquisitions	(217,179)	-	-	-	-	-	-	(234,854)
Proceeds from disposal	-	-	-	-	-	-	-	706
Net cash provided (used) by investing activities	(1,598,467)	60,444	-	-	-	-	-	(1,545,998)
EFFECT OF EXCHANGE RATE CHANGES ON CASH								
	155,258	17,084	(230)	52,418	-	-	2,837	229,546
CASH FLOWS FROM FINANCING ACTIVITIES								
Payments on line of credit	-	-	-	-	-	-	-	(250,000)
Net cash provided (used) by financing activities	-	-	-	-	-	-	-	(250,000)
Net increase (decrease) in cash and cash equivalents	(1,044,332)	321,659	40,884	(777,727)	105	87,638	270,858	(833,478)
CASH AND CASH EQUIVALENTS at beginning of year	4,627,075	1,279,645	-	1,927,205	29,494	203,229	-	10,459,017
CASH AND CASH EQUIVALENTS at end of year	3,582,743	1,601,304	40,884	1,149,478	29,599	290,867	270,858	9,625,539

FUNDS

	<u>General Fund</u>	<u>Emergency Disputes Fund</u>	<u>Grants and Contracts</u>	<u>Political Action Committees</u>	<u>Reward Fund</u>	<u>Alumni Association</u>	<u>PROP Fund</u>	<u>Other</u>	<u>TOTAL</u>
Change in net assets/equity	\$ 3,380,432	\$ (325,396)	\$ (777,888)	\$ (262,547)	\$ 105	\$ (34,071)	\$ 322,879	\$ (92,357)	\$ 2,211,157
Adjustments									
Change in foreign currency	(155,258)	(17,084)	230	(52,418)	-	-	(2,837)	(2,179)	(229,546)
Depreciation and amortization	230,473	-	26,593	-	-	-	-	8,848	265,914
Unrealized (gain) loss on temporary investments	10,374	-	-	-	-	-	-	753	11,127
Realized (gain) loss on temporary investments	-	-	-	-	-	-	-	2,135	2,135
Effect of adoption of recognition principles of FASB No. 158	(12,001,485)	-	-	-	-	-	-	-	(12,001,485)
Changes in current assets									
Grants receivable	-	-	260,358	-	-	-	-	(1,844)	258,514
Accounts receivable	324,405	-	-	18,424	-	-	-	(69,382)	273,447
Prepaid expenses	165,425	-	19,886	(72,068)	-	-	-	5,185	118,428
Inventories	343	-	-	-	-	-	-	3,886	4,229
Deposits	-	-	-	-	-	-	-	-	-
Stock subscription	-	-	-	-	-	-	-	-	-
Interfund receivables	96,395	-	7,137	(497,047)	-	131,050	(52,021)	23,832	(290,654)
Changes in current liabilities									
Bank overdraft	-	-	(145,910)	-	-	-	-	-	(145,910)
Accounts payable	(2,466,914)	-	(94,754)	58,878	-	(9,341)	-	(38,266)	(2,550,397)
Promises to give	-	-	-	-	-	-	-	71,236	71,236
Accrued expenses	570,743	-	(5,809)	-	-	-	-	(29,329)	535,605
Deferred revenues	(60,300)	-	(26,593)	-	-	-	-	431,720	344,827
Interfund payables	(1,238,347)	586,611	777,864	(23,367)	-	-	-	208,995	291,756
Change in deferred/acrued pension cost	11,222,790	-	-	-	-	-	-	-	11,222,790
Change in deferred compensation liability	339,801	-	-	-	-	-	-	-	339,801
Net cash provided (used) by operating activities	\$ 398,877	\$ 244,131	\$ 41,114	\$ (830,145)	\$ 105	\$ 87,638	\$ 268,021	\$ 523,233	\$ 732,974

The accompanying notes are an integral part of this financial statement.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED STATEMENT OF CASH FLOWS - OTHER
YEAR ENDED SEPTEMBER 30, 2007

	IAFF Financial Corporation	International Association of Fire Fighters Burn Foundation	John P. Redmond Memorial Foundation	The New York September 11 Firefighters Counseling Support Foundation	International Association of Fire Fighters Disaster Relief Fund	IAFF Fallen Fire Fighter Memorial Fund, Inc.	W.H. "Howie" McClennan Scholarship Fund	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES								
Per capita tax received from members	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants and contributions received	-	1,023,350	129,100	40,761	33,374	455,874	5,815	1,688,274
Royalties received	-	-	-	-	-	-	13,055	13,055
Interest received	-	132	3,531	18,016	31,687	9	34,057	87,432
Net sales revenue	-	34,289	-	-	-	-	-	34,289
Other revenue received	-	-	-	-	-	-	-	-
Payments to vendors, suppliers and employees	912,329	25,160	360,627	-	-	4,000	-	1,302,116
Aid paid to affiliates	(682,689)	(591,036)	(154,752)	(251,016)	(373,400)	(445,482)	(103,558)	(2,601,933)
Political contributions paid	-	-	-	-	-	-	-	-
Net cash provided (used) by operating activities	229,640	491,895	338,506	(192,239)	(308,339)	14,401	(50,631)	523,233
CASH FLOWS FROM INVESTING ACTIVITIES								
Note and loan repayments received	-	-	-	-	-	-	-	-
New loans made to affiliates	-	-	-	-	-	-	-	-
Temporary investments	-	-	-	-	-	-	-	-
New acquisitions	-	-	(3,474)	(16,339)	(27,232)	-	(33,961)	(81,006)
Proceeds from redemptions	-	-	-	-	-	-	90,000	90,000
United Union special assessment	-	-	-	-	-	-	-	-
Property and equipment	-	-	-	-	-	-	-	-
New acquisitions	(12,505)	(5,170)	-	-	-	-	-	(17,675)
Proceeds (loss) from disposal	706	-	-	-	-	-	-	706
Net cash provided (used) by investing activities	(11,799)	(5,170)	(3,474)	(16,339)	(27,232)	-	56,039	(7,975)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	-	-	2,179	-	-	-	-	2,179
CASH FLOWS FROM FINANCING ACTIVITIES								
Payments on line of credit	(250,000)	-	-	-	-	-	-	(250,000)
Net cash provided (used) by financing activities	(250,000)	-	-	-	-	-	-	(250,000)
Net increase (decrease) in cash and cash equivalents	(32,159)	486,725	337,211	(208,578)	(335,571)	14,401	5,408	267,437
CASH AND CASH EQUIVALENTS at beginning of year	234,686	89,437	112,076	578,030	1,332,278	25,235	20,627	2,392,369
CASH AND CASH EQUIVALENTS at end of year	\$ 202,527	\$ 576,162	\$ 449,287	\$ 369,452	\$ 996,707	\$ 39,636	\$ 26,035	\$ 2,659,806

RECONCILIATION OF CHANGE IN NET ASSETS/EQUITY
TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

	IAFF Financial Corporation	International Association of Fire Fighters Burn Foundation	John P. Redmond Memorial Foundation	The New York September 11 Firefighters Counseling Support Fund	International Association of Fire Fighters Disaster Relief Fund	IAFF Fallen Fire Fighter Memorial Fund, Inc.	WH "Howie" McClellan Scholarship Fund	TOTAL
Change in net assets/equity	\$ 269,045	\$ (98,444)	\$ 60,419	\$ (276,315)	\$ (15,080)	\$ 14,261	\$ (46,243)	\$ (92,357)
Adjustments								
Change in foreign currency	-	-	(2,179)	-	-	-	-	(2,179)
Depreciation and amortization	4,577	4,111	-	-	-	160	-	8,848
Unrealized (gain) loss on temporary investments	-	-	143	-	-	-	610	753
Realized (gain) loss on temporary investments	-	-	-	-	-	-	2,135	2,135
Effect of adoption of recognition principles of FASB No. 158	-	-	-	-	-	-	-	-
Changes in current assets								
Grants receivable	-	(1,844)	-	-	-	-	-	(1,844)
Accounts receivable	(23,512)	(46,020)	(100)	587	(317)	(20)	-	(69,382)
Prepaid expenses	(281)	5,927	-	(461)	-	-	-	5,185
Inventories	-	3,886	-	-	-	-	-	3,886
Deposits	-	-	-	-	-	-	-	-
Interfund receivables	-	33,332	-	-	(9,500)	-	-	23,832
Changes in current liabilities								
Accounts payable	(7,561)	(19,109)	-	8,404	(21,200)	-	1,200	(38,266)
Accrued expenses	(29,329)	-	-	-	-	-	-	(29,329)
Deferred revenues	15,600	55,493	360,627	-	-	-	-	431,720
Promises to give	-	-	-	71,236	-	-	-	71,236
Interfund payables	1,101	554,563	(80,404)	4,310	(262,242)	-	(8,333)	208,995
Change in deferred/acrued pension cost	-	-	-	-	-	-	-	-
Net cash provided (used) by operating activities	\$ 229,640	\$ 491,895	\$ 338,506	\$ (192,239)	\$ (308,339)	\$ 14,401	\$ (50,631)	\$ 523,233

The accompanying notes are an integral part of this financial statement.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

Notes to Consolidated Financial Statements

September 30, 2007

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization

The International Association of Fire Fighters (the Association) is a labor union whose primary mission is to represent its members in disputes and negotiations with the state and local governments for which the members are employed. Primary sources of revenue are per capita tax paid by members, grants and contributions restricted as to purpose.

The IAFF Financial Corporation is a wholly-owned subsidiary of the Association organized and incorporated as of December 10, 2001 under the laws of the State of Delaware. It is primarily engaged in working through service vendors to provide financial services, investment options, college finance programs, and insurance protection to professional fire fighters and government employees. It is located in Washington, DC.

The International Association of Fire Fighters Burn Foundation was created in 1982 to promote and provide support for the establishment and continuation of burn treatment centers and their related purposes of burn injury-related research and burn prevention through education. The Foundation has also established an annual burn survivor camp, which provides a means to directly outreach to burn victims.

The John P. Redmond Memorial Foundation was organized for the purpose of research and curative processes for elimination, prevention and correction of occupational diseases of fire fighters. The Foundation hosts a biannual symposium, providing an educational forum for fire fighters and an inducement for involving medical personnel, fitness experts, and occupational safety and health experts in the problems associated with fire fighting.

The New York September 11 Firefighters Counseling Support Foundation was created in 2001 to provide for the immediate and long term counseling needs of career fire fighters, career emergency medical services personnel and their families, who require such services as a result of the destruction of the World Trade Center on September 11, 2001 as well as to meet future needs related to line of duty deaths.

The International Association of Fire Fighters Disaster Relief Fund was organized for the purpose of providing aid to fire fighters who suffered during large natural disasters. Following the tragic events of September 11, 2001, the Fund took on the additional role of sponsoring memorial and/or funeral services for fallen fire fighters.

The IAFF Fallen Fire Fighter Memorial Fund, Inc. was organized for the purpose of completing and maintaining memorials that honor fire fighters killed in the line of duty. Furthermore, the Fund holds annual memorial observances to honor fallen fire fighters.

The W.H. "Howie" McClellan Scholarship Fund was organized as a trust by the International Association of Fire Fighters on December 23, 1977. The Fund is recognized as a private foundation for tax purposes. It provides education-related financial aid to the children of fire fighters killed in the line of duty.

2. Principles of consolidation

The accompanying consolidated financial statements include the accounts of the Association, its affiliates and its wholly-owned subsidiary. All material inter-entity accounts, transactions, and profits/losses are eliminated in consolidation.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Basis of presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Association is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

4. Fund accounting

The accounts of the Association are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. The Association maintains the following fund groups:

General Fund - represents the portion of unrestricted expendable funds available for the general expenses of the Association.

Emergency Disputes Fund - represents unrestricted funds designated to provide financial assistance in the resolution of emergency disputes in which the Association's affiliates become involved.

Grants and Contracts - represents temporarily restricted funds provided by the U.S. Government, principally the Department of Health and Human Services, Federal Emergency Management Agency and the Department of Transportation.

Political Action Committees - represents temporarily restricted funds received from contributors and amounts allocated from per capita tax receipts.

Reward Fund - represents temporarily restricted funds contributed by IAFF affiliates to reward individuals who provide information that leads to the arrest and conviction of persons responsible for major incidents of arson that cause death to the Association members.

Alumni Association - represents temporarily restricted funds to develop, establish and administer an alumni association for active-retired or active members who are no longer engaged in firefighting or related services.

Political Referendum Operations Partnership Fund - represents unrestricted funds designated to assist the Association's affiliates with supplemental funding, through interest-free loans, for referendum campaigns.

5. Inventories

Inventories consist of items held for sale to the Association's affiliates and are valued at the lower of cost or market value. Cost is determined using the first-in, first-out method. Cost of goods sold includes shipping and handling charges. Profits on sales of certain specialty inventory items are contributed to the Association Firepac Education Fund unless otherwise specified by the local making the purchase.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

6. Investments

Investments in equity securities having readily determinable fair values and all debt securities are reported at fair value. Changes in fair value are included in investment income. Fair values are based on quoted market prices for the same or similar securities.

The investment in United Unions, Inc., of which the Association owns 9% and over which it exercises significant influence of operating and accounting policies, is accounted for under the equity method.

The investment in the IAFF Financial Corporation, of which the Association owns 100% and over which it exercises complete influence of operating and accounting policies, is accounted for under the equity method.

7. Property and equipment

Property and equipment are recorded at cost. All of the Association's acquisitions with a cost greater than \$2,500 are capitalized at cost; similarly, all acquisitions made by the IAFF Fallen Fire Fighter Memorial Fund, Inc., the International Association of Fire Fighters Burn Foundation and the IAFF Financial Corporation with a cost greater than \$500 are capitalized at cost. Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets or, where applicable, the terms of the leases, whichever are shorter. The cost of property and equipment retired or disposed of is removed from the accounts along with the related accumulated depreciation or amortization, and any gain or loss is reflected in income.

8. Collections

The IAFF Fallen Fire Fighter Memorial Fund, Inc. capitalizes its collections. Acquisitions are capitalized at cost if purchased and at appraised or fair value at date of acquisitions if received by donation. All maintenance costs incurred in relation to these collections and in excess of \$1,000 are capitalized. Gains and losses on disposals of donated collections are recorded based on the presence or absence of donor restrictions placed on items at the date of donation.

The IAFF Fallen Fire Fighter Memorial Fund, Inc. has title to and maintains two memorial statues and two memorial walls-of-honor. All memorials are held for public exhibition and are preserved by the Fund. The cost of these collections is as follows:

Memorial statues	\$313,355
Memorial walls-of-honor	<u>110,598</u>
	<u>\$423,953</u>

9. Revenue recognition

The Association recognizes per capita tax as revenue during the period in which it accrues. Actual receipts in advance of the date for which they are due are reflected as deferred revenues. Interest and other revenue are recognized as accrued to the Association. Accounts receivable for the Association arise primarily from per capita tax due from local affiliates located in the U.S. and Canada, registrations and supply sales revenue that has been earned but not received as of September 30, 2007. Management reviews accounts receivable to determine collectibility. An amount of \$110,741 has been estimated as an allowance for doubtful accounts as of September 30, 2007. This estimate is based on historical collectibility of accounts receivable.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

9. Revenue recognition (continued)

Accounts receivable for the John P. Redmond Memorial Foundation and the International Association of Fire Fighters Burn Foundation includes program related revenue that has not been received as of September 30, 2007. No interest is accrued on these receivables. The Trustees review accounts receivable to determine collectibility. All amounts for these affiliates are deemed collectible as of September 30, 2007.

Accounts receivable for the IAFF Financial Corporation includes royalty and market support revenue that has not been received as of September 30, 2007. No interest is accrued on these receivables. IAFF Financial Corporation management reviews its accounts receivable to determine collectibility. All amounts for this wholly-owned subsidiary are deemed collectible as of September 30, 2007.

In accordance with Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, grants and contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. When a time restriction ends or a purpose restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions. All other revenue is recognized when earned and reported as an increase in net assets.

The IAFF Financial Corporation recognizes revenue as earned on a pro-rata basis during the period covered by guaranteed payments from its strategic alliance.

Grant and contract funds are reported as revenue when expenses are incurred. Funds received prior to being expended are reported as refundable advances and expenses incurred for which reimbursement has not been received are reported as receivables.

10. Advertising costs

The International Association of Fire Fighters Burn Foundation and the John P. Redmond Memorial Foundation expense advertising costs as they are incurred.

11. Income taxes

The International Association of Fire Fighters is exempt from federal income taxes under Section 501(c)(5) of the Internal Revenue Code. However, the Association is subject to tax on net income generated by activities considered to be unrelated business income. As of September 30, 2007, the Association has no accrued tax liability.

The IAFF Financial Corporation is subject to federal income and District of Columbia franchise taxes. Income taxes are provided on income regardless of when such taxes are payable. Current tax and deferred tax assets and liabilities are recorded in accordance with enacted tax laws and rates. The amounts of deferred tax assets and liabilities at the end of each period are determined using the tax rates expected to be in effect when taxes are actually paid or recovered. Future tax benefits are recognized to the extent that realization of such benefits is more likely than not. As of September 30, 2007, IAFF Financial Corporation has no deferred tax asset. Income tax expense for the year ended September 30, 2007 was \$174,998. At year end, the corporation owed \$3,034 in income taxes.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

11. Income taxes (continued)

The International Association of Fire Fighters Burn Foundation, the John P. Redmond Memorial Foundation, The New York September 11 Firefighters Counseling Support Foundation, the International Association of Fire Fighters Disaster Relief Fund, the IAFF Fallen Fire Fighter Memorial Fund, Inc. and the W.H. "Howie" McClennan Scholarship Fund are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as publicly-supported organizations. However, the affiliates are subject to tax on income generated by unrelated business activities as provided for in the tax law. To date, these organizations have not engaged in such activities. The W.H. "Howie" McClennan Scholarship Fund is also subject to excise tax based on investment income.

12. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

13. Financial information as of September 30, 2006

The financial information as of September 30, 2006 is presented for balance sheet comparative purposes only and is not intended to represent complete financial statement presentation. This financial information includes all consolidated entities. Certain accounts in the prior year financial statements have been reclassified for comparative purposes in order to conform to the presentation of information in the current year financial statements.

NOTE B - CASH AND TEMPORARY INVESTMENTS

Cash and cash equivalents

Cash and cash equivalents consist of cash and highly liquid debt instruments with original maturities of three months or less.

Temporary investments

Temporary investments consist of certificates of deposit having initial maturities of more than three months and an open-ended mutual fund that invests primarily in construction loans, mortgages, or mortgage-backed securities. These investments are carried at fair value. Changes in fair value are included in investment income. Fair values are based on quoted market prices for the same or similar securities.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE B - CASH AND TEMPORARY INVESTMENTS (continued)

Temporary investments (continued)

At September 30, 2007, the following amounts have been set-aside for specific purposes:

	<u>Cash and Cash Equivalents</u>	<u>Temporary Investments</u>
International Association of Firefighters		
United Unions reserve	\$ -	\$ 1,900,464
2008 Convention	599,005	599,006
All other accounts	6,366,728	7,526,450
IAFF Financial Corporation	202,527	-
International Association of Fire Fighters Burn Foundation	576,162	-
John P. Redmond Memorial Foundation	449,287	-
John P. Redmond Memorial Foundation – AFL-CIO Housing Trust	-	70,322
The New York September 11 Firefighters Counseling Support Foundation	369,452	316,339
International Association of Fire Fighters Disaster Relief Fund	996,707	527,232
IAFF Fallen Fire Fighter Memorial Fund, Inc.	39,636	-
W.H. "Howie" McClennan Scholarship Fund	26,035	-
W.H. "Howie" McClennan Scholarship Fund – AFL-CIO Housing Trust	<u>-</u>	<u>610,828</u>
	<u>\$9,625,539</u>	<u>\$11,550,641</u>

NOTE C – INVESTMENT INCOME

A summary of investment income earned by all entities for the year ended September 30, 2007 is as follows:

Interest/dividends	\$ 842,694
Realized losses	(2,135)
Unrealized losses – temporary investments	(11,127)
Unrealized losses – United Unions	<u>(21,606)</u>
	<u>\$ 807,826</u>

NOTE D - LOANS TO AFFILIATES

Loans to affiliated organizations consists of loans to provide financial assistance in conjunction with job actions, disciplinary actions against union officers for union-related activities, employer's refusal to implement an arbitration award, and such other occurrences as may be considered bona fide emergencies by the Executive Board of the Association. The loans are noninterest-bearing with repayments made primarily over sixty (60) months. The Executive Board reviews loans to affiliates to determine collectibility. As of September 30, 2007, \$14,909 was estimated as an allowance for doubtful accounts, based on historical analysis of loans not collected in previous years.

NOTE E - ACCRUED VACATION AND SICK LEAVE, SEVERANCE AND COMPENSATORY TIME

The balances in these accounts represent vested amounts due employees of the Association, its subsidiary and affiliates in accordance with the employees' respective labor contracts.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE F – PENSION AND RETIREMENT PLANS

The Association has pension plans covering substantially all employees. Pursuant to action at the 41st Convention, pension coverage was expanded to include the District Vice-Presidents. During the fiscal year ended September 30, 1988, an Officers' Retirement Plan purchased annuities for all of its participants and beneficiaries of participants who were receiving benefit payments. Participants in that Officers' Retirement Plan who remained principal officers of the Association subsequent to September 30, 1988, had their vested retirement benefits merged into the Staff Representatives' Pension Plan during the year ended September 30, 1989. All current and future retirement contributions on behalf of principal officers are now made pursuant to an Officers' Non-Qualified Retirement Plan and Officers' Supplemental Benefits Plan. Contributions called for by the two officers' plans are allocated between a secular and a rabbi trust fund. The assets of the rabbi trust fund are subject to the general creditors of the Association and totaled \$2,748,700 at September 30, 2007.

In addition to the plans for principal officers, the Association maintains two qualified defined benefit plans, the Staff Representatives' Pension Plan and the Employees' Pension Plan. Plan benefits are based on years of service and employees' compensation. Contributions are intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future. Contributions made and benefits paid were \$2,730,000 and \$10,624 to and from the Staff Representatives' plan and \$305,000 to the Employees' plans. Assets of the plans are invested primarily in publicly-traded stocks, debt securities and money market funds.

Any differences between funding for the officers' and the other plans and expense as actuarially determined are reflected in deferred pension cost or accrued pension contributions.

The Association adopted FASB Statement No. 158 as of September 30, 2007. This statement requires an employer to recognize the funded status of a benefit plan, measured as the difference between the plan assets at fair value and the benefit obligation, in its statement of financial position. For a pension plan, the benefit obligation is the projected benefit obligation.

Deferred pension cost, accrued pension cost and pension expense related to the various pension plans as of September 30, 2007, and for the year then ended are as follows:

	<u>Accrued Pension Cost</u>	<u>Pension Expense</u>
Officers - rabbi trust	\$ 231,100	\$ 109,800
- secular trust	186,600	20,700
Staff representatives	2,194,149	1,736,348
Employees	<u>2,682,800</u>	<u>988,600</u>
	<u>\$5,294,649</u>	2,855,448
Other Pension Expense		
- IAFF 401(k) match		71,235
- IAFF Financial Corporation 401(k) match and administrative costs		<u>16,243</u>
Total Pension Expense		<u>\$2,942,926</u>

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE F – PENSION AND RETIREMENT PLANS (continued)

The following tables set forth the funded status of the plans and amounts recognized in the Association's September 30, 2007 financial statements.

	Rabbi and Secular	Staff Representatives	Employees	Grand Total
Actuarial present value of benefit obligations:				
Vested benefit obligations	<u>\$ 3,699,800</u>	<u>\$ 26,093,600</u>	<u>\$ 7,828,078</u>	<u>\$ 37,621,478</u>
Accumulated benefit obligations	<u>\$ 3,699,800</u>	<u>\$ 27,061,900</u>	<u>\$ 8,499,964</u>	<u>\$ 39,261,664</u>
Projected benefit obligations	<u>\$(3,765,900)</u>	<u>\$(30,632,641)</u>	<u>\$(12,186,000)</u>	<u>\$(46,584,541)</u>
Plan assets at fair value	<u>3,348,200</u>	<u>28,438,492</u>	<u>9,503,200</u>	<u>41,289,892</u>
Funded status	<u>\$ (417,700)</u>	<u>\$ (2,194,149)</u>	<u>\$ (2,682,800)</u>	<u>\$ (5,294,649)</u>
Net pension asset/(liability) at September 30, 2007:				
(Accrued)/prepaid pension obligation at September 30, 2006	\$ 49,100	\$ 5,309,585	\$ 1,039,599	\$ 6,398,284
Net periodic pension cost	(130,500)	(1,736,348)	(988,600)	(2,855,448)
Contribution made during the year	<u>129,000</u>	<u>2,730,000</u>	<u>305,000</u>	<u>3,164,000</u>
(Accrued)/prepaid pension obligation at September 30, 2006	47,600	6,303,237	355,999	6,706,836
Increment effect of FAS 158	<u>(465,300)</u>	<u>(8,497,386)</u>	<u>(3,038,799)</u>	<u>(12,001,485)</u>
Net pension asset/(liability) at September 30, 2007	<u>\$(417,700)</u>	<u>\$(2,194,149)</u>	<u>\$ (2,682,800)</u>	<u>\$ (5,294,649)</u>
Net pension cost, year ended September 30, 2007:				
Service cost - benefits earned	\$ 208,800	\$ 1,286,437	\$ 900,000	\$ 2,395,237
Interest cost on projected benefit obligations	193,700	1,717,011	646,100	2,556,811
Actual return on plan assets	(272,000)	(1,390,100)	(544,600)	(2,206,700)
Net amortization and deferral	<u>-</u>	<u>123,000</u>	<u>(12,900)</u>	<u>110,100</u>
Net periodic pension cost	<u>\$ 130,500</u>	<u>\$ 1,736,348</u>	<u>\$ 988,600</u>	<u>\$ 2,855,448</u>

As of September 30, 2007, the weighted-average discount rate was 6% for all plans. The rates of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligations was 4.25% for the rabbi and secular plans and 3.50% for the staff representatives and employees plans. The expected long-term rate of return on assets was 8.5% for all plans.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE F – PENSION AND RETIREMENT PLANS (continued)

It is the Association's policy to invest pension plan assets in a diversified portfolio consisting of an array of stocks, debt securities and money market funds through the use of Alliance Investments commingled pools.

The weighted-average target allocation range for each pension plan is as follows:

	<u>Staff & Employees</u>	<u>Rabbi & Secular</u>
Cash Equivalents	0% - 10%	0%-5%
Select Equity Pool	45% - 55%	0%
Fixed Income Pool	40% - 50%	95%-100%

The plans' assets were allocated as follows:

	<u>Staff</u>	<u>Employees</u>	<u>Rabbi</u>	<u>Secular</u>
Cash Equivalents	2.25%	1.80%	1.43%	2.00%
Select Equity Pool	42.78%	54.84%	0.00%	0.00%
Fixed Income Pool	54.97%	43.36%	98.57%	98.00%

The expected return on plan assets was determined by the Association together with its investment advisors. The rate is based primarily on expectations of future returns for the plan's investments, based on target asset allocations. Additionally, the historical returns on comparable equity and fixed income investments are considered in the estimate of the expected rate.

The following is a schedule of benefits expected to be paid in each of the next five years, and in the aggregate for the five fiscal years thereafter as of September 30, 2007. The expected benefit payments shown below are based on the same assumptions used to determine the Projected Benefit Obligation as of September 30, 2007 and includes benefits attributable to estimated future employee service.

	<u>Staff Plan</u>	<u>Employees' Plan</u>	<u>Rabbi</u>
2008	\$1,540,900	\$ 343,200	\$ 117,800
2009	\$1,602,500	\$ 346,200	\$ 118,700
2010	\$1,631,400	\$ 382,000	\$ 124,300
2011	\$1,668,900	\$ 471,700	\$ 129,600
2012	\$1,684,000	\$ 472,700	\$ 134,600
2014-2017	\$8,206,500	\$2,467,000	\$ 724,000

The Association has an employee 401(k) plan that allows eligible employees to defer from their salaries an amount equal to a percentage of the contributing participant's compensation from 1 percent to 15 percent in increments of 1 percent. The Association matches 1% of the elective deferrals.

The Association has a 457(b) retirement plan covering eligible employees who choose to participate. Contributions to the plan are amounts deferred from the participating employees' salary and are limited to the lesser of the applicable dollar amount as defined in Code Section 457(e)(15)(A) or 100% of the participants' includible compensation.

The IAFF Financial Corporation, a wholly-owned subsidiary of the Association, maintains a 401(k) plan for its employees. Employees are eligible for the plan after six months of employment. The plan allows each employee to self-direct their contributions. The plan provides 100% vesting of employee and matching employer contributions as the contributions are made. The plan calls for the employer to match the employee contribution up to a maximum of \$7,000. The 401(k) pension expense for the year was \$14,002 and administrative costs were \$2,241.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE G - COMMITMENTS AND CONTINGENCIES

1. Operating leases

The Association has entered into lease agreements that are classified as operating leases. The leases are for office equipment, automobiles and office space. The future minimum lease payments are calculated based on the terms of current lease agreements and are subject to change. The following is a schedule, by fiscal years ending September 30, of future minimum lease payments as of September 30, 2007:

	<u>Equipment and Automobiles</u>	<u>Office Space</u>
2008	\$ 58,355	\$1,029,689
2009	3,424	1,029,689
2010	-	1,029,689
2011	-	1,029,689
Later years	<u>-</u>	<u>2,524,793</u>
	<u>\$ 61,779</u>	<u>\$6,643,549</u>

The Association subleases one thousand square feet of its current space to the IAFF Financial Corporation. The lease term began April 1, 2005 and will continue on a month-to-month basis until the rental rate of \$3,000 monthly is renegotiated. IAFF Financial Corporation paid the Association a total of \$36,000 in sublease payments, which the Association recognizes as other income during the year ending September 30, 2007.

As part of the office space lease, the Association has agreed that in the event the basic rent, plus additional rent for any increase in operating expenses and real estate taxes, shall be insufficient to meet the debt service requirements and other obligations on the building of the landlord (United Unions, Inc.), the Association will pay as additional rent its pro-rata share (9%) of the amount necessary to meet such debt service requirements and other obligations. The total rent expense incurred by the Association under all operating leases during the year ended September 30, 2007 was \$1,129,794.

2. Guarantor responsibilities

The IAFF Financial Corporation has access to a \$1,000,000 revolving line of credit that is guaranteed and secured by the Association. The corporation has paid off the outstanding balance at September 30, 2007. The credit line is currently available through January 31, 2008. The interest rate is set at a variable rate equal to the bank's base rate and is payable monthly. Should any outstanding principal exist at the maturity date of January 31, 2008, it is due and payable in full on that maturity date. The credit line is guaranteed and secured by a certificate of deposit established by the Association. Interest of \$11,078 was incurred on the line of credit as of September 30, 2007. Management has requested in November 2007 that the bank close the line of credit and release the collateral.

The Association, as a 9% owner of United Unions, Inc., is a co-guarantor of a first deed of trust note from Suntrust Bank, N.A. on the United Unions, Inc. building. At September 30, 2007, the Association is contingently liable for its share of United Unions, Inc.'s remaining principal balance of \$720,813. The first deed of trust note bears an annual interest rate of 3.82%. United Unions, Inc. is to make monthly payments of \$73,349, including principal and interest, until July 31, 2008, at which point the entire note will be satisfied.

During the 2007 fiscal year, the Association, as a 9% owner of United Unions, Inc., became a co-guarantor of a loan agreement with Suntrust Bank, N.A. As of September 30, 2007, the Association is contingently liable for its share of United Unions, Inc. remaining principal balance of \$4,194,857. This loan bears an annual interest rate of 6.2%. United Unions, Inc. is making payments of \$66,171, including principal and interest, until December 2, 2013, the maturity date.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE G - COMMITMENTS AND CONTINGENCIES (continued)

3. Other commitments and contingencies

The Association and the International Association of Fire Fighters Burn Foundation participated in a federal grant program, which is subject to financial and compliance audits by federal agencies or their representatives. Management does not anticipate any significant adjustments as a result of such an audit.

The Association has an open letter of credit in the amount of \$1,316,000 to secure pension costs in Canada. As of September 30, 2007, no amount has been drawn and no interest has been incurred on the letter of credit.

The Association and the John P. Redmond Foundation have entered into agreements with hotels for future conventions and meetings. The Association has also entered into contracts with consultants for future services. In the event of the cancellation of these agreements, the Association and the Foundation will incur penalty charges. As of September 30, 2007, no cancellations are expected or foreseen by either organization.

The W.H. "Howie" McClennan Scholarship Fund has not filed solicitation forms in various states from which contributions are received. It is at least reasonably possible that penalties may be assessed, but an estimate of such fees cannot be made as of September 30, 2007.

NOTE H - PER CAPITA TAX

Resolutions made at the Association's conventions provide for the following allocations of monthly per capita tax, with all remaining per capita tax allocations to the General Fund:

Emergency Disputes Fund - effective September 1, 2006 - \$.32 per active member, \$.16 per retiree

John P. Redmond Memorial Foundation - effective September 1, 1986 - \$.04 per active member, \$.02 per retiree

Firepac Education Fund - effective September 1, 2006 - \$1.17 per active member, \$.59 per retiree

Political Referendum Operations Partnership Fund
- effective September 1, 2006 - \$.10 per active member, \$.05 per retiree

NOTE I - POLITICAL ACTION COMMITTEES FUND

The Association has established five Political Action Committees for the purpose of contributing funds to state and federal candidates. The use of these funds is restricted to purposes described in Federal Election Commission regulations and various state statutes, and the Association has no immediate or future claims to these assets.

NOTE J - REWARD FUNDS

Pursuant to Executive Board action at its May 1989 board meeting, the Association established a reward fund to reward individuals who provide information that leads to the arrest and conviction of persons responsible for major incidents of arson that cause death to members of the Association. The balance in the fund as of September 30, 2007 is \$29,599.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE K – EXPENSES

The International Association of Fire Fighters was organized to protect and advance the interests and general welfare of fire fighters throughout the United States and Canada. Their objectives are to organize all fire fighters; to secure just compensation for their services; to promote a safe and healthy working environment; to promote the research and treatment of burns and other related health problems common to fire fighters; and to encourage the formation of local unions, state and provincial associations and joint councils. The costs of providing these programs, other Association activities, and the programs of the Association's affiliates have been summarized on a functional basis in this note and in the consolidated statement of changes in unrestricted net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Costs have been allocated among Program and Supporting services as follows:

Program Services	
Education and Training	\$ 9,797,341
Government Affairs	7,531,396
Organizing	2,620,043
Technical Assistance and Labor Issues	6,276,734
Public Relations and Communications	1,486,950
Safety and Health	787,204
Affiliates	<u>781,456</u>
Subtotal	<u>29,281,124</u>
Supporting Services	
Management and General	12,920,762
Accounting	1,629,690
Membership	892,741
Mailroom	209,855
Donated services 9-11 Fund	4,228
Affiliates	<u>553,818</u>
Subtotal	<u>16,211,094</u>
Operating Expenses	
Subsidiary	<u>452,686</u>
Total Program and Supporting Services and Operating Expenses	<u>\$45,944,904</u>

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE L - CONCENTRATIONS OF CREDIT RISK

1. Concentrations of credit risk

The Association and its related entities maintain their cash and cash equivalent balances at several different financial institutions in the Washington, D.C. metropolitan area. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000 per institution. At September 30, 2007, the Association had deposits in excess of FDIC insurance limits of approximately \$12.6 million, and its related entities had combined deposits in excess of FDIC insurance limits of approximately \$2.2 million.

The Association and its related entities maintain their investment balances at several different financial institutions in the United States of America, most of which are located in Washington, D.C., and in Canada. Some investment deposits are insured by government agencies or the Securities Investor Protection Corporation. Many of these deposits may not be insured. The uninsured balance cannot be estimated as of September 30, 2007.

2. Concentrations of support

The Association maintains significant operations in both Canada and the U.S. Canadian net assets converted to U.S. dollars as of September 30, 2007 are approximately \$4,551,735 unrestricted and \$1,391,644 temporarily restricted. Concentrations of credit risk with respect to the Association's accounts receivables are limited due to the large number of local affiliates and their dispersion across different geographic locales.

A majority of the IAFF Fallen Fire Fighter Memorial Fund, Inc.'s support for operations comes in the form of contributions from the Association. All such contributions have been eliminated in accordance with the principles of consolidation in note A2.

The International Association of Fire Fighters Burn Foundation receives approximately 70% of its support from a single federal agency.

NOTE M – TRANSLATION TO U.S. DOLLARS

All amounts in the financial statements are stated in U.S. dollars. The Association has substantial activity denominated in Canadian dollars. Accordingly, all amounts denominated in Canadian dollars have been translated to U.S. dollars by applying the translation rate for assets and liabilities at September 30, 2007 of 100.81% and by applying the average translation rate for revenue and expenses for the year ended September 30, 2007 of 89.98%. Changes in the foreign currency translation rate subsequent to September 30, 2007 may materially affect unsettled foreign currency transactions as of that date. The Association does not reflect those effects in these financial statements.

NOTE N – DONATED PROPERTY

The City of Colorado Springs granted to the IAFF Fallen Fire Fighter Memorial Fund, Inc. a park license for its use of city land on which the memorials stand. Should the Fund ever misuse or abandon the land, it would be responsible for the costs incurred to restore the land to its original state. The term of this license ends August 30, 2013. At that date, the license may be renewed for an additional twenty-five years. As of September 30, 2007, it is the Fund's intention to renew this license. The value of this donated property has not been reflected in the financial statements.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE O – RESTRICTIONS ON NET ASSETS

The Association has net assets subject to temporary purpose restrictions. All restrictions are expected to be fulfilled within the next fiscal year.

The John P. Redmond Memorial Foundation and the International Association of Fire Fighters Burn Foundation receive contributions subject to temporary purpose restrictions. At September 30, 2007, no temporarily restricted assets remain.

The IAFF Fallen Fire Fighter Memorial Fund, Inc. imposed permanent restriction status on its collections. Permanently restricted net assets are defined as existing indefinitely in time and purpose. As of September 30, 2007, the Fund had \$423,953 in permanently restricted net assets.

NOTE P – STRATEGIC ALLIANCE

The IAFF Financial Corporation renegotiated a contract forming a strategic alliance to promote its product offering. This contract guarantees the corporation the following annual payments:

2007	\$ 684,000
2008	\$ 814,000
2009	\$ 879,000
2010	\$ 949,000
2011	\$1,025,000
2012	\$1,107,000

The contract calls for the other party to provide record keeping and to administer the co-branded products. Other strategic alliance contracts have been signed during the past several years offering members other products.

NOTE Q – RELATED PARTY TRANSACTIONS

1. Donated services

The Association contributes the services of its personnel to carry out the activities of the following affiliates: W.H. "Howie" McClennan Scholarship Fund, IAFF Fallen Fire Fighter Memorial Fund, Inc. (Memorial Fund), John P. Redmond Memorial Foundation, International Association of Fire Fighters Disaster Relief Fund (Disaster Fund), The New York September 11 Firefighters Counseling Support Foundation, and the International Association of Fire Fighters Burn Foundation (Burn Foundation). The value of these contributed services is only recognized by the affiliates when the services are distinguishable from activities normally carried on by the Association. The Memorial Fund is the only affiliate that reflected these services as an increase to contribution revenue and an increase to various expenses in the amounts of \$441,669. The Burn Foundation generally pays for services that are specific to grants, and for personnel solely designated by the Association to the Burn Foundation. The value of these services has been reflected in the financial statements.

The Association also donated accounting and administrative services to the New York Firefighters 9-11 Disaster Relief Fund. Based on the Association's standard salary expenses, \$4,228 was recorded as expense for the year ended September 30, 2007. The New York Firefighters 9-11 Disaster Relief Fund is not included in the consolidated financial statements.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
Notes to Consolidated Financial Statements (continued)
September 30, 2007

NOTE Q – RELATED PARTY TRANSACTIONS (continued)

2. Board of Trustees

Members of the Association's Board of Trustees are also officers of the following affiliates: W.H. "Howie" McClennan Scholarship Fund, John P. Redmond Memorial Foundation, International Association of Fire Fighters Disaster Relief Fund, The New York September 11 Firefighters Counseling Support Foundation, International Association of Fire Fighters Burn Foundation, and IAFF Fallen Fire Fighter Memorial Fund, Inc. Similarly, several officers and members of the Association's Board of Trustees are also officers and Board members of the IAFF Financial Corporation. The Board members are not compensated by the Association for services rendered in their capacity as Trustees/officers for these entities.

3. Accounts receivable/payable from/to related parties

Amounts due to the Association's subsidiary and affiliates consist of unremitted contributions, royalty income, per capita tax allocations, registration fees, proceeds from merchandise sales, and reimbursements for expenses. Amounts due from the subsidiary and affiliates are for expenses paid for by the Association. During the year, the net amount of these transactions was \$668,000 payable to the Association. This net amount is included in the due to and due from amounts reported on the September 30, 2007 balance sheet.

4. Other related party transactions

The New York September 11 Firefighters Counseling Support Foundation provides support to the Counseling Service Unit (the CSU) of the FDNY. Members of the Foundation's board of trustees are also directors of the CSU. All donations made or incurred by the Foundation during the fiscal year were to the CSU.

During the 2007 fiscal year, the New York September 11 Firefighters Counseling Support Foundation received \$9,500 on behalf of the International Association of Fire Fighters Disaster Relief Fund (DRF). This amount is deemed payable to the DRF as of September 30, 2007.

The International Association of Fire Fighters Disaster Relief Fund is a co-sponsor of the memorial event performed by the IAFF Fallen Fire Fighter Memorial Fund, Inc. and has occasionally received memorial contributions on behalf of the fund.

The IAFF Financial Corporation received no capital contributions from the Association (its parent company) for the year ended September 30, 2007. It does have an account payable of \$1,101 to the Association for expenses paid for by the parent.

NOTE R – PROMISES TO GIVE

1. Unconditional Promises to Give

The New York September 11 Firefighters Counseling Support Foundation has made unconditional promises that are payable in less than one year.

2. Conditional Promises to Give

The Association and the International Association of Fire Fighters Burn Foundation were awarded federal grants, which are conditioned upon the organizations' progression on various programs. The remaining amount to be received for these promises is \$2,021,044.

OTHER FINANCIAL INFORMATION



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MEMBERS

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

PRIVATE COMPANIES
PRACTICE SECTION

Independent Auditor's Report on Other Financial Information

Board of Trustees
International Association of Fire Fighters

Our report on our audit of the basic consolidated financial statements of the International Association of Fire Fighters as of September 30, 2007 appears on page 3.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The other financial information on pages 29 - 38 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental schedules of revenues, expenses, and general fund expenses were subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The schedule of salary and expenses, however, was not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion on it.

Stokes & Company, P.C.
STOKES & COMPANY, P.C.
Washington, D.C.

January 22, 2008

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED SUPPLEMENTAL SCHEDULE OF REVENUES
YEAR ENDED SEPTEMBER 30, 2007

FUNDS

	General Fund	Emergency Disputes Fund	Grants and Contracts	Political Action Committees	Reward Fund	Alumni Association	PROP Fund	Other	Eliminations	TOTAL
Per capita tax	\$ 26,879,649	\$ 1,027,308	\$ -	\$ 3,754,308	\$ -	\$ -	\$ 320,183	\$ 128,073	\$ (128,073)	\$ 31,981,448
Conference and seminar registration fees	1,256,045	-	-	-	-	-	-	-	-	1,256,045
Contributions	133,783	-	-	2,279,147	-	-	-	737,197	(456,669)	2,693,458
Royalties	602,011	-	-	19,473	-	-	-	851,943	-	1,473,427
Grants and contracts	-	-	7,288,637	-	-	-	-	811,774	-	8,100,411
Initiation, reinstatement and charter fees	195,380	-	-	-	-	-	-	-	-	195,380
Investment income	611,423	45,971	43	52,119	105	9,013	-	89,152	-	807,826
Proceeds from sales	-	-	-	76,994	-	1,746	-	85,990	-	164,730
Reimbursed legal fees	24,629	351,726	-	-	-	-	-	-	-	376,355
Other revenues	1,136,627	462	-	-	-	-	-	95,556	(180,000)	1,052,645
	<u>\$ 30,839,547</u>	<u>\$ 1,425,467</u>	<u>\$ 7,288,680</u>	<u>\$ 6,182,041</u>	<u>\$ 105</u>	<u>\$ 10,759</u>	<u>\$ 320,183</u>	<u>\$ 2,799,685</u>	<u>\$ (764,742)</u>	<u>\$ 48,101,725</u>

The accompanying auditor's report on other financial information should be read with this schedule.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED SUPPLEMENTAL SCHEDULE OF REVENUES - OTHER
YEAR ENDED SEPTEMBER 30, 2007

	IAFF Financial Corporation	International Association of Fire Fighters Burn Foundation	John P. Redmond Memorial Foundation	The New York September 11 Firefighters Counseling Support Foundation	International Association of Fire Fighters Disaster Relief Fund	IAFF Fallen Fire Fighter Memorial Fund, Inc.	W.H. "Howie" McClennan Scholarship Fund	TOTAL
Per capita tax	\$ -	\$ -	\$ 128,073	\$ -	\$ -	\$ -	\$ -	\$ 128,073
Conference and seminar registration fees	-	-	-	-	-	-	-	-
Contributions	-	-	1,127	40,761	42,874	455,874	5,815	737,197
Royalties	807,451	190,746	-	-	-	-	13,055	851,943
Grants and contracts	-	31,437	-	-	-	-	-	811,774
Initiation, reinstatement and charter fees	-	811,774	-	-	-	-	-	-
Investment income	4,878	132	3,388	17,429	32,004	9	31,312	89,152
Proceeds from sales	-	85,990	-	-	-	-	-	85,990
Reimbursed legal fees	-	-	-	-	-	-	-	-
Other revenues	84,400	7,136	-	-	-	4,020	-	95,556
	<u>\$ 896,729</u>	<u>\$ 1,127,215</u>	<u>\$ 132,588</u>	<u>\$ 58,190</u>	<u>\$ 74,878</u>	<u>\$ 459,903</u>	<u>\$ 50,182</u>	<u>\$ 2,799,685</u>

The accompanying auditor's report on other financial information should be read with this schedule.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED SUPPLEMENTAL SCHEDULE OF EXPENSES
YEAR ENDED SEPTEMBER 30, 2007

FUNDS										
	General Fund	Emergency Disputes Fund	Grants and Contracts	Political Action Committees	Reward Fund	Alumni Association	PROP Fund	Other	Eliminations	TOTAL
Salaries - Officers	\$ 1,564,920	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112,218	\$ -	\$ 1,677,138
- Others	8,384,219	-	1,435,870	81,821	-	-	-	149,079	-	10,050,989
Expenses - Officers	1,301,944	-	-	101,960	-	-	-	21,490	-	1,425,394
- Others	863,915	-	118,070	-	-	-	-	137,742	-	1,119,727
Accounting and audit	213,570	-	63,669	-	-	-	-	134,757	(9,200)	402,796
Advertising	-	-	-	-	-	-	-	162,894	(140,000)	22,894
Aid to affiliates	-	129,726	-	-	-	-	-	-	-	129,726
Audio/visual expense	171,101	-	35,195	53,813	-	-	-	46,276	(32,474)	273,911
Awards	11,694	-	-	-	-	-	-	1,800	-	13,494
Computer	418,657	-	30,823	63,560	-	-	-	2,109	(2,109)	513,040
Consultants	1,722,504	-	3,523,203	438,292	-	41,574	-	225,232	(24,623)	5,926,182
Convention expenses	63,302	-	-	-	-	-	-	-	-	63,302
Cost of sales	-	-	-	64,542	-	-	-	55,587	-	120,129
Depreciation and amortization	230,473	-	26,593	-	-	-	-	8,848	-	265,914
Dinners and honoraria	84,864	-	-	8,380	-	-	-	-	-	93,244
Donations	222,396	-	-	-	-	-	-	-	-	222,396
Personnel	-	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	462,351	(15,000)	669,747
Insurance and bonding	2,402,624	-	339,242	18,906	-	-	-	149,300	(67,987)	2,821,707
Interest expense	-	-	-	-	-	-	-	61,077	(142)	11,140
Journal expenses	904,979	-	-	-	-	-	-	-	-	904,979
Legal services	591,415	1,638,221	-	-	-	-	-	11,140	-	2,229,636
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-	-	-
Marketing expenses	-	-	-	-	-	-	-	706	-	706
Meals and entertainment	-	-	-	-	-	-	-	23,086	-	23,086
Miscellaneous expenses	356,654	-	32,813	290,083	-	421	141	1,239	-	1,239
Office expense and supplies	261,625	-	130,681	12	-	234	-	47,945	(8,172)	719,885
Office machine rental and maintenance	115,405	-	-	-	-	-	-	18,350	(3,835)	407,067
Payroll processing	-	-	-	-	-	-	-	10,641	(10,641)	115,405
Penalties	-	-	-	-	-	-	-	1,846	-	1,846
Pension expense	2,492,277	-	381,463	19,247	-	-	-	127	-	127
Affiliations per capita tax	2,037,504	-	-	-	-	-	-	49,939	-	2,942,926
Political contributions	-	-	-	4,270,744	-	-	-	-	-	2,037,504
Postage and freight	292,525	-	72,171	217,927	-	-	-	-	-	4,270,744
Printing and copying	355,697	-	570,010	591,829	-	-	-	9,364	(1,083)	590,904
Redmond Fund contribution	128,073	-	-	-	-	-	-	192,742	(27,626)	1,682,652
Rent	-	-	-	-	-	-	-	-	(128,073)	-
Seminars	1,456,705	-	76,219	228,330	-	-	-	40,221	-	822,659
Subscriptions and dues	253,842	-	260,599	39,482	-	-	-	250,882	(250,882)	1,945,634
Taxes - payroll, personal property and other	712,799	-	8,851	8,078	-	899	-	735	-	303,809
Telephone and telegraph	224,047	-	104,604	-	-	-	-	20,390	-	845,871
Temporary services	37,925	-	12,849	-	-	1,702	-	7,967	(2,674)	243,891
Travel and meetings	-	-	-	-	-	-	-	-	-	37,925
Overhead allocation	28,624,095 (1,009,722)	1,767,947	7,222,925 843,413	6,497,006	-	44,830	141	2,552,702 166,309	(764,742)	45,944,904
Expenses before effect of adoption of FASB Statement No. 158	27,614,373	1,767,947	8,066,338	6,497,006	-	44,830	141	2,719,011	(764,742)	45,944,904
Incremental effect of FAS 158	12,001,485	-	-	-	-	-	-	-	-	12,001,485
	\$ 39,615,858	\$ 1,767,947	\$ 8,066,338	\$ 6,497,006	\$ -	\$ 44,830	\$ 141	\$ 2,719,011	\$ (764,742)	\$ 57,946,389

The accompanying auditor's report on other financial information should be read with this schedule.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
CONSOLIDATED SUPPLEMENTAL SCHEDULE OF EXPENSES - OTHER
YEAR ENDED SEPTEMBER 30, 2007

	IAFF Financial Corporation	International Association of Fire Fighters Burn Foundation	John P. Redmond Memorial Foundation	The New York September 11 Firefighters Counseling Support Foundation	International Association of Fire Fighters Disaster Relief Fund	IAFF Fallen Fire Fighter Memorial Fund, Inc.	W.H. "Howie" McClellan Scholarship Fund	TOTAL
Salaries - Officers	\$ 112,218	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112,218
- Others	25,000	124,079	-	-	-	-	-	149,079
Expenses - Officers	21,490	-	-	-	-	-	-	21,490
- Others	4,141	133,601	-	-	-	-	-	137,742
Accounting and audit	51,357	33,050	11,000	9,000	11,550	9,200	9,600	134,757
Advertising	-	112,894	50,000	-	-	-	-	162,894
Audio/visual expense	-	11,802	2,000	-	-	32,474	-	46,276
Awards	-	1,800	-	-	-	-	-	1,800
Computer	-	-	-	-	-	2,109	-	2,109
Consultants	88,079	102,461	887	8,404	778	24,623	-	225,232
Convention expenses	-	-	-	-	-	-	-	-
Cost of sales	-	55,587	-	-	-	-	-	55,587
Depreciation and amortization	4,577	4,111	-	-	-	160	-	8,848
Dinners and honoraria	-	-	-	-	-	-	-	-
Donations	-	31,500	-	317,101	27,500	-	86,250	462,351
Personnel	-	-	-	-	-	67,987	-	67,987
Grants	-	149,300	-	-	-	-	-	149,300
Insurance and bonding	31,801	29,134	-	-	-	142	-	61,077
Interest expense	11,140	-	-	-	-	-	-	11,140
Journal expenses	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-
Loss on disposal of fixed assets	706	-	-	-	-	-	-	706
Marketing expense	23,086	-	-	-	-	-	-	23,086
Meals and entertainment	1,239	-	-	-	-	-	-	1,239
Miscellaneous expenses	-	32,570	3,742	-	3,606	7,985	42	47,945
Office expense and supplies	1,497	5,791	-	-	7,227	3,835	-	18,350
Office machine rental and maintenance	-	-	-	-	-	10,641	-	10,641
Payroll processing	1,846	-	-	-	-	-	-	1,846
Penalties	127	-	-	-	-	-	-	127
Pension expense	16,243	33,696	-	-	-	-	-	49,939
Affiliations per capita tax	-	-	-	-	-	-	-	-
Postage and freight	1,192	5,032	2,057	-	-	1,083	-	9,364
Printing and copying	1,462	161,873	-	-	1,781	27,626	-	192,742
Redmond Fund contribution	-	-	-	-	-	-	-	-
Rent	36,000	-	-	-	-	4,221	-	40,221
Seminars	-	-	-	-	-	250,882	-	250,882
Subscriptions and dues	-	-	-	-	-	-	-	-
Taxes - payroll, personal property and other	10,442	735	-	-	-	-	533	735
Telephone and telegraph	5,293	9,415	-	-	-	2,674	-	20,390
Temporary services	-	-	-	-	-	-	-	-
Travel and meetings	3,750	20,707	4,662	-	37,516	-	-	66,635
Overhead allocation	452,686	1,059,138	74,348	334,505	89,958	445,642	96,425	2,552,702
Expenses before effect of adoption of FASB Statement No. 158	-	166,309	-	-	-	-	-	166,309
Incremental effect of FAS 158	\$ 452,686	\$ 1,225,447	\$ 74,348	\$ 334,505	\$ 89,958	\$ 445,642	\$ 96,425	\$ 2,719,011

The accompanying auditor's report on other financial information should be read with this schedule.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
SUPPLEMENTAL SCHEDULE OF GENERAL FUND EXPENSES
YEAR ENDED SEPTEMBER 30, 2007

	Operations	Technical Assistance and Labor Issues	Legislative	Education and Information Resources	EMS	OSHA	Special Projects	Public Relations and Communications	Other	TOTAL
Salaries - Officers	\$ 1,564,920	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,564,920
- Others	5,045,881	450,787	296,488	387,291	572,747	31,434	1,660	321,070	1,276,861	8,384,219
Expenses - Officers	1,301,944	-	-	-	-	-	-	-	-	1,301,944
- Others	692,839	7,728	8,700	13,446	17,123	1,174	4,257	1,660	116,988	863,915
Accounting and audit	213,570	-	-	-	-	-	-	-	-	213,570
Audio/visual expense	161,824	3,215	-	-	2,055	66	-	-	3,941	171,101
Awards	11,694	-	-	-	-	-	-	-	-	11,694
Computer	315,025	1,158	1,113	438	95,531	1,267	-	-	4,125	418,657
Consultants	1,608,532	63,308	8,339	26,700	-	2,003	-	4,624	8,998	1,722,504
Convention expenses	63,302	-	-	-	-	-	-	-	-	63,302
Depreciation and amortization	230,473	-	-	-	-	-	-	-	-	230,473
Dinners and honoraria	84,864	-	-	-	-	-	-	-	-	84,864
Donations	222,396	-	-	-	-	-	-	-	-	222,396
Insurance and bonding	1,705,066	100,066	65,114	85,208	125,271	7,270	-	70,817	243,812	2,402,624
Journal expenses	904,979	-	-	-	-	-	-	-	-	904,979
Legal services	591,415	-	-	-	-	-	-	-	-	591,415
Miscellaneous expenses	335,753	-	373	814	201	1,261	3,500	505	14,247	356,654
Office expense and supplies	223,820	2,688	3,852	4,246	10,473	4,101	-	2,482	9,983	261,625
Office machine rental and maintenance	115,405	-	-	-	-	-	-	-	-	115,405
Pension expense	1,517,248	121,762	86,175	106,350	152,335	8,680	92	93,422	406,213	2,492,277
Affiliations per capita tax	2,037,504	-	-	-	-	-	-	-	-	2,037,504
Postage and freight	285,388	938	27	3,095	846	522	-	400	1,309	292,525
Printing and copying	301,040	9,457	3,449	23,743	2,750	2,466	-	1,618	11,174	355,697
Redmond Fund contribution	128,073	-	-	-	-	-	-	-	-	128,073
Rent	746,440	-	-	-	-	-	-	-	-	746,440
Seminars	1,458,000	550	35	(2,467)	-	249	-	-	338	1,456,705
Subscriptions and dues	192,431	7,326	25,708	60	379	99	-	400	27,439	253,842
Taxes - payroll, personal property and other	462,108	34,607	22,620	30,835	44,326	2,443	265	24,665	90,930	712,799
Telephone and telegraph	192,729	1,671	6,757	1,408	1,944	480	-	2,366	16,692	224,047
Temporary services	34,803	-	237	-	-	-	-	-	2,885	37,925
Overhead allocation	22,749,466	805,241	528,987	681,167	1,025,981	63,515	9,774	524,029	2,235,935	28,624,095
	(1,009,722)	-	-	-	-	-	-	-	-	(1,009,722)
Expenses before effect of adoption of FASB Statement No. 158	21,739,744	805,241	528,987	681,167	1,025,981	63,515	9,774	524,029	2,235,935	27,614,373
Incremental effect of FAS 158	12,001,485	-	-	-	-	-	-	-	-	12,001,485
	\$ 33,741,229	\$ 805,241	\$ 528,987	\$ 681,167	\$ 1,025,981	\$ 63,515	\$ 9,774	\$ 524,029	\$ 2,235,935	\$ 39,615,858

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
SUPPLEMENTAL SCHEDULE OF GENERAL FUND EXPENSES - OTHER
YEAR ENDED SEPTEMBER 30, 2007

	Communications and Media	Government and Public Affairs	Political Action	Member Services	Education and Hazmat	Motorcycle Group	TOTAL
Salaries - Officers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
- Others	284,738	290,551	333,268	215,020	153,284	-	1,276,861
Expenses - Officers	-	-	-	-	-	-	-
- Others	38,034	31,888	14,245	21,445	11,376	-	116,988
Accounting and audit	-	-	-	-	-	-	-
Audio/visual expense	3,941	-	-	-	-	-	3,941
Awards	-	-	-	-	-	-	-
Computer	255	1,813	1,265	672	120	-	4,125
Consultants	8,979	-	-	19	-	-	8,998
Convention expenses	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-
Dinners and honoraria	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Insurance and bonding	53,440	53,079	70,656	42,620	24,017	-	243,812
Journal expenses	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-
Miscellaneous expenses	2,251	983	20	10,993	-	-	14,247
Office expense and supplies	1,757	942	3,756	3,294	234	-	9,983
Office machine rental and maintenance	-	-	-	-	-	-	-
Pension expense	93,450	95,724	91,327	71,928	53,784	-	406,213
Affiliations per capita tax	-	-	-	-	-	-	-
Postage and freight	222	214	476	250	147	-	1,309
Printing and copying	517	3,127	7,514	-	16	-	11,174
Redmond Fund contribution	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-
Seminars	-	-	-	-	338	-	338
Subscriptions and dues	16,293	1,949	8,141	646	410	-	27,439
Taxes - payroll, personal property and other	19,591	20,095	25,590	15,193	10,461	-	90,930
Telephone and telegraph	3,823	4,041	2,268	2,304	4,256	-	16,692
Temporary services	-	762	2,123	-	-	-	2,885
Incremental effect of FAS 158	-	-	-	-	-	-	-
Overhead allocation	527,291	505,168	560,649	384,384	258,443	-	2,235,935
Expenses before effect of adoption of FASB Statement No. 158	527,291	505,168	560,649	384,384	258,443	-	2,235,935
Incremental effect of FAS 158	-	-	-	-	-	-	0
	\$ 527,291	\$ 505,168	\$ 560,649	\$ 384,384	\$ 258,443	\$ -	\$ 2,235,935

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
SCHEDULE OF SALARY AND EXPENSES
YEAR ENDED SEPTEMBER 30, 2007
(UNAUDITED)

	SALARY	EXPENSES				TOTAL	TOTAL SALARY AND EXPENSES
		LODGING	MEALS	TRAVEL	TELEPHONE	OTHER	
PRINCIPAL OFFICERS							
Harold Schaitberger, General President	\$ 255,287	\$ 34,023	\$ 8,912	\$185,199	\$201	\$ 17,435	\$ 245,770
Vincent J. Bollon, General Secretary-Treasurer	229,758	15,666	3,976	38,393	-	3,917	61,952
	\$ 485,045	\$ 49,689	\$ 12,888	\$ 223,592	\$ 201	\$ 21,352	\$ 307,722
TOTAL PRINCIPAL OFFICERS							\$ 792,767
VICE PRESIDENTS							
Kevin Gallagher, 1st District	\$ 68,781	\$ 10,090	\$ 21,760	\$ 11,900	\$ 752	\$ 7,524	\$ 52,026
Louie Wright, 2nd District	68,781	16,051	26,280	19,987	962	3,952	67,232
Michael Mullane, 3rd District	68,781	13,843	25,688	33,097	1,625	4,367	78,620
William Taylor, 4th District	68,781	10,595	18,240	14,774	193	3,471	47,273
Joseph Conway, Jr., 5th District	68,781	12,798	10,640	18,760	393	3,555	46,146
Lorne West, 6th District	62,613	27,814	23,715	89,365	8,874	10,895	160,663
Ricky Walsh, 7th District	68,781	15,169	18,060	32,192	857	6,535	72,813
Thomas Miller, 8th District	68,781	11,772	24,000	22,563	231	4,368	62,934
Randy Atkinson, 9th District	34,126	5,106	2,987	6,356	-	115	14,564
Michael McNeill, 9th District (prior)	34,390	(19)	720	483	-	320	1,504
James Ferguson, 10th District	68,781	18,287	11,348	18,748	156	1,574	50,113
Roy L. McGhee, 11th District	68,781	20,951	14,570	29,801	410	5,216	70,948
Larry Osbourne, 12th District	48,411	5,705	2,480	3,083	-	-	11,268
Dominick Barbera, 12th District (prior)	18,518	2,661	7,200	7,541	-	3,587	20,989
Bruce Carpenter, 13th District	62,613	11,475	7,391	29,233	4,534	5,088	57,721
Danny Todd, 14th District	68,781	17,392	12,480	27,046	515	5,864	63,297
James Fennell, 15th District	62,613	14,563	12,874	30,448	4,709	2,224	64,818
James Johnson, 16th District	68,781	11,766	8,960	25,499	105	4,963	51,293
	\$ 1,079,875	\$ 226,019	\$ 249,393	\$ 420,876	\$ 24,316	\$ 73,618	\$ 994,222
TOTAL VICE PRESIDENTS							\$ 2,074,097
TOTAL OFFICERS' SALARY/EXPENSES (GENERAL FUND)	\$ 1,564,920	\$ 275,708	\$ 262,281	\$ 644,468	\$ 24,517	\$ 94,970	\$ 1,301,944
							\$ 2,866,864
TRUSTEES							
Robert Greenwood	\$ 7,680	\$ 7,270	\$ 2,560	\$ 2,485	\$ 13	\$ 110	\$ 12,438
Mark Ouellette	9,830	8,071	3,280	6,612	154	-	18,117
Keith Hamilton	12,900	7,919	3,751	16,614	193	-	28,477
	\$ 30,410	\$ 23,260	\$ 9,591	\$ 25,711	\$ 360	\$ 110	\$ 59,032
TOTAL TRUSTEES							\$ 89,442

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
SCHEDULE OF SALARY AND EXPENSES
YEAR ENDED SEPTEMBER 30, 2007
(UNAUDITED)

	SALARY	LODGING	MEALS	EXPENSES			TELEPHONE	OTHER	TOTAL	TOTAL SALARY AND EXPENSES
				TRAVEL						
DIRECTORS, ETC.										
Chief of Staff to the General President	\$ 47,721	\$ 2,428	\$ 1,520	\$ 5,126	\$ 90	\$ 1,670	\$ 10,834	\$ 58,555		
Peter Gorman	95,058	8,285	2,182	27,452	1,113	11,602	50,634	145,692		
Michael Crouse (prior)										
Executive Assistant to the General Secretary-Treasurer	164,207	2,911	640	4,965	-	6,890	15,406	179,613		
Erick Genser										
Budget and Finance	140,998	2,997	1,200	1,257	-	1,181	6,635	147,633		
Don Copley	109,890	-	-	98	265	320	683	110,573		
Kristin Gifford										
Canadian National Office	124,455	13,367	7,902	24,445	149	807	46,670	171,125		
Jim Lee										
Governmental and Public Affairs	140,682	7,414	2,480	15,765	531	20,012	46,202	186,884		
Kevin O'Connor	111,110	2,989	2,000	3,209	35	2,219	10,452	121,562		
David Billy	111,110	773	474	3,162	2	52	4,463	115,573		
Barry Kasintz										
Occupational Safety and Health	140,998	12,663	6,060	29,791	365	8,915	57,794	198,792		
Richard Duffy	109,890	1,630	2,880	8,899	107	4,348	17,864	127,754		
Patrick Morrison										
Education and Hazmat	140,682	4,117	2,757	3,140	89	814	10,917	151,599		
David Neun	96,045	3,448	2,160	5,320	10	2,488	13,426	109,471		
Kevin Rader										
Hazmat & WMD Training Dept	109,890	4,582	4,178	7,396	2,062	-	18,218	128,108		
Elizabeth Harman										
Tech Assist & Labor Issues/EMS	140,840	7,136	4,075	6,386	335	1,766	19,698	160,538		
Lori Moore	111,110	1,948	1,760	2,665	41	55	6,469	117,579		
Jonathan Moore	111,234	2,232	1,440	1,593	3	-	5,268	116,502		
Michele Shaffer										
Public Relations and Communications	139,818	7,539	4,536	25,759	298	43	38,175	177,993		
Jeffrey Zack	110,076	597	320	492	130	25	1,564	111,640		
Jane Blume										
Human Resources	139,143	2,715	880	511	-	-	4,106	143,249		
Ken Long										
Information & Technology Operations Dept	142,915	6,995	1,357	2,028	22	750	11,152	154,067		
Eric Lamar	139,694	3,879	1,175	1,386	72	69	6,581	146,275		
Dave Bernard	109,890	-	-	11	-	-	11	109,901		
Carmen Gloukhoff	109,890	216	160	268	-	10	654	110,544		
Bentley Westfield										
Conference Planning	111,110	13,757	7,457	11,863	1,034	2,343	36,454	147,564		
Michael Schatberger										
Grants Administration	67,591	-	640	1,268	30	-	1,938	69,529		
Jennifer Stewart										
TOTAL DIRECTORS, ETC.	\$ 3,076,047	\$ 114,618	\$ 60,233	\$ 194,255	\$ 6,783	\$ 66,379	\$ 442,268	\$ 3,518,315		

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
SCHEDULE OF SALARY AND EXPENSES
YEAR ENDED SEPTEMBER 30, 2007
(UNAUDITED)

	SALARY	LODGING	MEALS	EXPENSES TRAVEL	TELEPHONE	OTHER	TOTAL	TOTAL SALARY AND EXPENSES
OTHER OFFICE AND GRANT EMPLOYEES	\$ 6,910,490	\$ 217,259	\$ 122,549	\$ 355,022	\$ 23,248	\$ (1,832)	716,246	\$ 7,626,736
TOTALS BEFORE EXPENSE ACCRUALS	\$ 11,581,867	\$ 630,845	\$ 454,654	\$ 1,219,456	\$ 54,908	\$ 159,627	\$ 2,519,490	\$ 14,101,357
Net reductions of expense accruals for salaries, vacations and sick leave, severance pay and compensatory time.	9,042	-	-	-	-	-	-	9,042
TOTAL IAFF SALARY/EXPENSE FYE 09/30/07	\$ 11,590,909	\$ 630,845	\$ 454,654	\$ 1,219,456	\$ 54,908	\$ 159,627	\$ 2,519,490	\$ 14,110,399
IAFF FINANCIAL CORPORATION								
Carrie Tucker	\$ 112,218	\$ 8,927	\$ -	\$ 9,300	\$ 25	\$ 3,238	\$ 21,490	\$ 133,708
David Siwarski	25,000	1,467	-	2,274	-	400	4,141	29,141
TOTAL IAFF FINANCIAL CORPORATION SALARY/EXPENSE FYE 9/30/07	\$ 137,218	\$ 10,394	\$ -	\$ 11,574	\$ 25	\$ 3,638	\$ 25,631	\$ 162,849
TOTAL CONSOLIDATED IAFF SALARY/EXPENSE FYE 9/30/07	\$ 11,728,127	\$ 641,239	\$ 454,654	\$ 1,231,030	\$ 54,933	\$ 163,265	\$ 2,545,121	\$ 14,273,248

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

Note to Other Financial Information

Year Ended September 30, 2007

SCHEDULE OF SALARY AND EXPENSES

All amounts in the schedule of salary and expenses, like all amounts in the financial statements and other financial information, are stated in U.S. dollars. The Association has substantial activity denominated in Canadian dollars. Accordingly, all salary and expense amounts denominated in Canadian dollars have been translated to U.S. dollars by applying the average translation rate for the year ended September 30, 2007 of 89.98%.