

**ENDE, MENZER, WALSH & QUINN RETIREES'
WIDOWS' AND CHILDREN'S ASSISTANCE FUND**

FINANCIAL STATEMENTS

DECEMBER 31, 2016

LEGACY

PROFESSIONALS LLP

CERTIFIED PUBLIC ACCOUNTANTS

**ENDE, MENZER, WALSH & QUINN RETIREES'
WIDOWS' AND CHILDREN'S ASSISTANCE FUND**

FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of
Ende, Menzer, Walsh & Quinn
Retirees' Widows' and Children's
Assistance Fund

Report on the Financial Statements

We have audited the accompanying financial statements of Ende, Menzer, Walsh & Quinn Retirees' Widows' and Children's Assistance Fund (the Corporation), which comprise the statement of assets and net assets - modified cash basis as of December 31, 2016 and the related statement of revenue, expenses and changes in net assets - modified cash basis for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets and net assets of Ende, Menzer, Walsh & Quinn Retirees' Widows' and Children's Assistance Fund as of December 31, 2016, and its revenue, expenses and changes in net assets for the year then ended, in accordance with the modified cash basis of accounting as described in Note 2.

Basis of Accounting

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

Report on Summarized Comparative Information

We have previously audited Ende, Menzer, Walsh & Quinn Retirees' Widows' and Children's Assistance Fund's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 22, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Legacy Professionals LLP

Chicago, Illinois

June 15, 2017

**ENDE, MENZER, WALSH & QUINN RETIREES'
WIDOWS' AND CHILDREN'S ASSISTANCE FUND**

**STATEMENT OF ASSETS AND NET ASSETS
MODIFIED CASH BASIS**

DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
CHECKING ACCOUNT	\$ 230,970	\$ 342,346
CASH ON HAND	1,177	-
MONEY MARKET FUND	<u>29,000</u>	<u>27,992</u>
Total assets	<u>\$ 261,147</u>	<u>\$ 370,338</u>
NET ASSETS		
UNRESTRICTED	\$ 260,860	\$ 244,479
TEMPORARILY RESTRICTED	<u>287</u>	<u>125,859</u>
Total net assets	<u>\$ 261,147</u>	<u>\$ 370,338</u>

See accompanying notes to financial statements.

**ENDE, MENZER, WALSH & QUINN RETIREES'
WIDOWS' AND CHILDREN'S ASSISTANCE FUND**

**STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
MODIFIED CASH BASIS**

YEAR ENDED DECEMBER 31, 2016 WITH COMPARATIVE TOTALS FOR 2015

	2016			2015
	Unrestricted	Temporarily Restricted	Total	Total
REVENUE				
Contributions	\$ 771,760	\$ -	\$ 771,760	\$ 766,939
Contributions - restricted for families of deceased active firemen	-	54,413	54,413	127,787
Interest income	276	-	276	14
Miscellaneous income	7,500	-	7,500	-
	779,536	54,413	833,949	894,740
Net assets released from restrictions	179,985	(179,985)	-	-
Total revenue and other support	959,521	(125,572)	833,949	894,740
EXPENSES				
Program services				
Assistance to widows and orphans	701,250	-	701,250	750,750
Assistance to families of deceased active firemen	20,000	-	20,000	30,000
Restricted benefit payments	179,831	-	179,831	-
Charitable donations	-	-	-	10,000
Total program expenses	901,081	-	901,081	790,750
Fundraising				
Charity softball game expenses	-	-	-	4,230
Consulting	29,776	-	29,776	24,931
Other	-	-	-	156
Total fundraising expenses	29,776	-	29,776	29,317
Management and general				
Illinois tax filings	115	-	115	125
Bank fees	551	-	551	2,077
Accounting fees	4,692	-	4,692	9,112
Audit fees	5,000	-	5,000	5,000
Web hosting	300	-	300	300
QuickBooks	187	-	187	-
Printing, postage and check production	1,438	-	1,438	304
Total management and general expenses	12,283	-	12,283	16,918
Total expenses	943,140	-	943,140	836,985
CHANGE IN NET ASSETS	16,381	(125,572)	(109,191)	57,755
NET ASSETS				
Beginning of year	244,479	125,859	370,338	312,583
End of year	\$ 260,860	\$ 287	\$ 261,147	\$ 370,338

See accompanying notes to financial statements.

**ENDE, MENZER, WALSH & QUINN RETIREES'
WIDOWS' AND CHILDREN'S ASSISTANCE FUND**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTE 1. NATURE OF THE ORGANIZATION

The Ende, Menzer, Walsh & Quinn Retirees' Widows' and Children's Assistance Fund (the Corporation) was incorporated in the State of Illinois on September 20, 2005, as a not-for-profit corporation. The Corporation was organized to render financial and other assistance to retirees, widows and children of the participants of the Firemen's Annuity and Benefit Fund of Chicago.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting - The financial statements have been prepared using the modified cash basis of accounting. Except for assets and liabilities which arise from cash transactions, revenue is recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. Net assets are classified as unrestricted, temporarily restricted or permanently restricted. Net assets are generally reported as unrestricted unless assets are received from donors with explicit stipulations that limit the use of the asset. The Corporation records donor restricted funding as changes in unrestricted net assets if the donations are received and released in the same period. Temporarily restricted net assets result from contributions, the use of which are limited by donor-imposed stipulations that can be fulfilled and removed by action of the Corporation pursuant to those stipulations. The Corporation does not have any permanently restricted net assets.

Functional Expenses - The cost of providing various program and supporting services has been summarized on a functional basis in the statements of revenue, expenses and changes in net assets - modified cash basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Estimates - The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Subsequent Events - Subsequent events have been evaluated through June 15, 2017, which is the date the financial statements were available to be issued.

NOTE 3. TAX STATUS

The Internal Revenue Service has advised that the Corporation is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and has been classified as a private operating foundation under Section 509(a)(2).

The Corporation files Form 990-PF, *Return of Private Foundation*. The Corporation's returns are subject to examination by the Internal Revenue Service until the applicable statute of limitations expires.

NOTE 4. RELATED ORGANIZATIONS

The Firemen's Annuity and Benefit Fund of Chicago has allowed the Corporation to utilize its facilities and equipment to accommodate the distributions to widows and children at no additional direct expense to the Firemen's Annuity and Benefit Fund of Chicago.

Three of the Corporation's directors are also trustees of the Firemen's Annuity and Benefit Fund of Chicago, and another director of the Corporation serves as the Executive Director of the Firemen's Annuity and Benefit Fund of Chicago.

During both years ended December 31, 2016 and 2015, the Firemen's Annuity and Benefit Fund of Chicago contributed \$500,000 to the Corporation to render financial assistance to qualified widows and children of the participants of the Firemen's Annuity and Benefit Fund of Chicago.

NOTE 5. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were available for the following purposes at December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Contributions for Family of Daniel Capuano	<u>\$ 287</u>	<u>\$ 125,859</u>