

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

FINANCIAL STATEMENTS

DECEMBER 31, 2017

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 statements of assets and net assets - modified cash basis as of December 31, 2017 and 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, 2017, 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 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 15, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Legacy Professionals LLP

Westchester, Illinois

August 2, 2018

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

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

DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
CHECKING ACCOUNT	\$ 209,026	\$ 230,970
CASH ON HAND	1,270	1,177
MONEY MARKET FUND	<u>32,939</u>	<u>29,000</u>
Total assets	<u>\$ 243,235</u>	<u>\$ 261,147</u>
NET ASSETS		
UNRESTRICTED	\$ 242,948	\$ 260,860
TEMPORARILY RESTRICTED	<u>287</u>	<u>287</u>
Total net assets	<u>\$ 243,235</u>	<u>\$ 261,147</u>

See accompanying notes to financial statements.

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

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

NOTE 1. NATURE OF THE ORGANIZATION

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 August 2, 2018, 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 is required to evaluate its tax positions and disclose the amount of a tax liability if the Corporation has taken an uncertain position that more likely than not would not be sustained upon examination by tax authorities. The Corporation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

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 the years ended December 31, 2017 and 2016, the Firemen's Annuity and Benefit Fund of Chicago contributed \$378,000 and \$500,000 respectively, 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, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Contributions for Family of Daniel Capuano	<u>\$ 287</u>	<u>\$ 287</u>