

INDEPENDENT ASSOCIATION OF  
PUBLISHERS' EMPLOYEES, LOCAL 1096,  
COMMUNICATIONS WORKERS OF AMERICA

FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED  
SEPTEMBER 30, 2008 AND 2007

**SHULMAN, KURTZ, TURER & TOPAZ, LLC**  
**CERTIFIED PUBLIC ACCOUNTANTS**





INDEPENDENT ASSOCIATION OF  
PUBLISHERS' EMPLOYEES, LOCAL 1096,  
COMMUNICATIONS WORKERS OF AMERICA

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# SHULMAN, KURTZ, TURER & TOPAZ, LLC

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## INDEPENDENT AUDITOR'S REPORT

Officers and Members of  
Independent Association of  
Publishers' Employees Local 1096,  
Communications Workers of America  
Princeton Junction, NJ 08850

We have audited the accompanying balance sheets of Independent Association of Publishers' Employees, Inc. as of September 30, 2008 and 2007 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Union's officers. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 the officers, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Independent Association of Publishers' Employees, Inc. as of September 30, 2008 and 2007 and the changes in its net assets for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on page 7 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Shulman, Kurtz, Turer & Topaz*

January 5, 2009



INDEPENDENT ASSOCIATION OF  
PUBLISHERS' EMPLOYEES, LOCAL 1096,  
COMMUNICATIONS WORKERS OF AMERICA  
BALANCE SHEETS  
SEPTEMBER 30,

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
Current Assets		
Cash	404,741	345,618
Accrued interest receivable	2,291	-
Dues receivable	11,480	23,800
Investments - at market	<u>336,877</u>	<u>231,637</u>
Total Current Assets	755,389	601,055
Property and Equipment		
Office equipment and furniture	51,950	51,950
Accumulated depreciation	<u>51,035</u>	<u>50,119</u>
Net Property and Equipment	915	1,831
Other Assets		
Security deposit	<u>4,071</u>	<u>4,071</u>
Total Other Assets	<u>4,071</u>	<u>4,071</u>
<b>TOTAL ASSETS</b>	<b><u>760,375</u></b>	<b><u>606,957</u></b>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable	958	4,059
Per capita taxes payable	<u>51,926</u>	<u>48,000</u>
Total Current Liabilities	52,884	52,059
<b>NET ASSETS</b>	<b><u>707,491</u></b>	<b><u>554,898</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>760,375</u></b>	<b><u>606,957</u></b>

The accompanying notes are an integral part of these financial statements.



INDEPENDENT ASSOCIATION OF  
PUBLISHERS' EMPLOYEES, LOCAL 1096,  
COMMUNICATIONS WORKERS OF AMERICA  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED SEPTEMBER 30,

	<u>2008</u>	<u>2007</u>
Revenue		
Membership dues	649,455	649,764
Investment income	<u>17,134</u>	<u>17,684</u>
Total Revenue	666,589	667,448
Expenses		
Per capita taxes	266,212	260,499
Administrative expenses	201,497	182,468
Organizing and servicing expenses	45,371	98,171
Depreciation expense	<u>916</u>	<u>915</u>
Total Expenses	<u>513,996</u>	<u>542,053</u>
Excess of Revenue Over Expenses	152,593	125,395
Net Assets - Beginning of Year	<u>554,898</u>	<u>429,503</u>
Net Assets - End of Year	<u>707,491</u>	<u>554,898</u>

The accompanying notes are an integral part of these financial statements.



INDEPENDENT ASSOCIATION OF  
PUBLISHERS' EMPLOYEES, LOCAL 1096,  
COMMUNICATIONS WORKERS OF AMERICA  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30,

	<u>2008</u>	<u>2007</u>
Cash Flows from Operating Activities		
Excess of revenue over expenses	152,593	125,395
Add (deduct) items not affecting cash		
Depreciation expense	916	915
Unrealized (gain) loss on investments	( 1,701)	(4,179)
Gain on sale of investments	( 646)	-
(Increase) decrease in:		
Dues receivable	12,320	2,725
Security deposit	-	(1,771)
Accrued interest receivable	( 2,291)	-
Increase (decrease) in:		
Accounts payable	( 3,101)	2,892
Per capita taxes payable	<u>3,926</u>	<u>-</u>
	<u>9,423</u>	<u>582</u>
Net Cash Provided by Operating Activities	162,016	125,977
Cash Flows from Investing Activities		
Purchase of investments	(106,793)	(1,018)
Proceeds from sale of investments	<u>3,900</u>	<u>-</u>
Net Cash (Used) by Investing Activities	(102,893)	( 1,018)
Net Increase in Cash	59,123	124,959
Cash and Cash Equivalents - Beginning of Year	<u>345,618</u>	<u>220,659</u>
Cash and Cash Equivalents - End of Year	<u>404,741</u>	<u>345,618</u>

The accompanying notes are an integral part of these financial statements.



INDEPENDENT ASSOCIATION OF  
PUBLISHERS' EMPLOYEES, LOCAL 1096,  
COMMUNICATIONS WORKERS OF AMERICA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 AND 2007

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization's Objective

The Independent Association of Publishers' Employees, Inc. is a nonprofit organization located in Princeton Junction, New Jersey. The Union's primary objective is to advance the economic interest and improve the working conditions of its members. The membership of the Independent Association of Publishers' Employees, Inc. are employees of Dow Jones and Company, Inc.

2. Dues Receivable

Accounts are charged to bad debt expense as they are deemed uncollectible based upon a periodic review of the accounts. At September 30, 2008 and 2007, no allowance for uncollectible accounts was considered necessary.

3. Equipment

Furniture and equipment is carried at cost less accumulated depreciation. The straight-line method of computing depreciation is used over the estimated useful lives of the assets.

4. Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.



INDEPENDENT ASSOCIATION OF  
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NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 AND 2007

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Investments (continued)

Investments, at fair value, consist of the following:

	<u>9/30/08</u>		<u>9/30/07</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
105 Shares News Corp. Inc. CLB	2,103	1,276	-	-
55 Shares Dow Jones	-	-	1,386	3,254
Evergreen Money Market	21,656	21,656	19,896	19,896
US Treasury Note, 4.250% due 1/15/10	192,181	213,297	192,181	208,487
US Treasury Note, 3.125% due 9/30/13	<u>102,930</u>	<u>100,648</u>	<u>-</u>	<u>-</u>
Total	<u>318,870</u>	<u>336,877</u>	<u>213,463</u>	<u>231,637</u>

Quoted market prices from the Wall Street Journal were used to value investments listed above.

The following schedule summarizes the investment return for the years ended September 30, 2008 and 2007, respectively:

	<u>9/30/08</u>	<u>9/30/07</u>
Interest and Dividend Income	15,433	13,505
Net appreciation of investments	<u>1,701</u>	<u>4,179</u>
Net investment income	<u>17,134</u>	<u>17,684</u>

5. Cash Flows

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.





INDEPENDENT ASSOCIATION OF  
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NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2008 AND 2007

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

B. COMMITMENTS

On December 12, 2006, the Organization entered into a 10 year lease for its office space. The office space was built and occupied as of June 1, 2007. Rent expense for the years ended September 30, 2008 and 2007 were \$23,193 and \$25,087, respectively.

Minimum lease payments for the future years at September 30, 2008 are as follows:

	<u>September 30,</u>
2009	16,944
2010	17,437
2011	17,931
2012	18,424
2013	18,917
Thereafter	<u>73,532</u>
	<u>163,185</u>

C. FEDERAL INCOME TAXES

The Organization meets the criteria of the U.S. Federal Tax Code for exemption from federal income tax.

D. CONCENTRATION OF CREDIT RISK

The Organization maintains its cash and savings accounts in various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to \$100,000. At September 30, 2008, the Organization's uninsured cash balances totaled \$27,400. Subsequent to the balance sheet date, the FDIC raised the limit on covered accounts to \$250,00 from \$100,000. This increase is in effect until the end of 2009.

**SHULMAN, KURTZ, TURER & TOPAZ, LLC**

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**SUPPLEMENTARY INFORMATION**



INDEPENDENT ASSOCIATION OF  
PUBLISHERS' EMPLOYEES, LOCAL 1096,  
COMMUNICATIONS WORKERS OF AMERICA  
SCHEDULES OF OPERATING EXPENSES  
FOR THE YEARS ENDED SEPTEMBER 30,

	<u>2008</u>	<u>2007</u>
Per Capita Taxes		
Communication Workers of America	266,212	260,499
Total Per Capita Taxes	<u>266,212</u>	<u>260,499</u>
 Administrative Expenses		
Audit	5,650	4,606
Benefits	32,798	22,402
Office supplies and expenses	19,929	13,259
Payroll taxes	9,574	10,200
Postage	2,700	1,217
Rent and utilities	25,473	27,132
Salaries	102,978	99,996
Telephone	<u>2,395</u>	<u>3,656</u>
Net Administrative Expenses	<u>201,497</u>	<u>182,468</u>
 Organizing and Servicing Expenses		
Arbitration and bargaining	16,960	24,922
Board meetings	766	9,923
Committees	-	627
Conventions and conferences	2,016	3,874
Elections	4,604	-
Legal	12,578	49,224
Lost time	-	110
Newsletter	2,925	2,210
Organizing and training	<u>5,522</u>	<u>7,281</u>
Net Organizing and Servicing Expenses	<u>45,371</u>	<u>98,171</u>

See independent auditor's report.