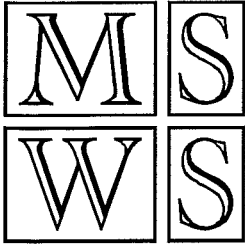


ASSOCIATION OF PARTNERS FOR
PUBLIC LANDS, INC.
FINANCIAL STATEMENTS
SEPTEMBER 30, 2008

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MULLEN & SONDBERG
WIMBISH & STONE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

2553 Housley Road • Suite 200 • Annapolis, Maryland 21401

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Association of Partners for Public Lands, Inc.
Wheaton, Maryland

We have audited the accompanying statement of financial position of Association of Partners for Public Lands, Inc. (a non-profit organization) as of September 30, 2008, and the related statements of activities and cash flows for the year then ended. These 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's 2007 financial statements and, in our report dated February 19, 2008, we expressed an unqualified opinion on those financial statements.

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 that our audit provides 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 Association of Partners for Public Lands, Inc. as of September 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses on page 4 is presented for 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.

MULLEN, SONDBERG, WIMBISH & STONE, P.A.

Annapolis, Maryland
February 23, 2009

Association of Partners for Public Lands, Inc.
 STATEMENT OF FINANCIAL POSITION
 September 30, 2008

ASSETS

	2008	2007
CURRENT ASSETS		
Cash and cash equivalents	\$ 195,130	\$ 149,861
Investments	245,077	260,257
Accounts receivable	7,017	14,092
Prepaid expenses	14,858	6,156
Total current assets	462,082	430,366
PROPERTY AND EQUIPMENT		
Net of accumulated depreciation	9,050	6,447
Total assets	\$ 471,132	\$ 436,813

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 19,614	\$ 20,579
Deferred revenue	70,210	25,288
Total current liabilities	89,824	45,867
NET ASSETS		
Unrestricted:		
Operating	292,854	294,497
Board designated	55,927	66,580
Total unrestricted	348,781	361,077
Temporarily restricted	32,527	29,869
Total net assets	381,308	390,946
Total liabilities and net assets	\$ 471,132	\$ 436,813

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

Association of Partners for Public Lands, Inc.
STATEMENT OF ACTIVITIES
Year Ended September 30, 2008

With Summarized Financial Information for the Year Ended September 30, 2007

	Unrestricted	Unrestricted Board Designated	Total Unrestricted	Temporarily Restricted	2008	2007
REVENUES, GAINS AND OTHER SUPPORT						
Convention	\$ 412,987	-	\$ 412,987	\$ -	\$ 412,987	\$ 387,850
Education	22,564	-	22,564	-	22,564	202,976
Membership dues	146,346	-	146,346	-	146,346	149,864
Vendor income	33,400	-	33,400	-	33,400	28,450
Investment income	(15,050)	-	(15,050)	-	(15,050)	20,809
Contributions	3,761	21,271	25,032	2,658	27,690	16,839
Other income	2,058	-	2,058	-	2,058	4,682
	<u>606,066</u>	<u>21,271</u>	<u>627,337</u>	<u>2,658</u>	<u>629,995</u>	<u>811,470</u>
Total revenues, gains and other support						
EXPENSES						
Program Services:						
Convention	283,939	5,181	289,120	-	289,120	318,442
Capacity building	57,426	763	58,189	-	58,189	218,881
Information sharing	65,707	-	65,707	-	65,707	55,627
Collective representation	21,147	21,900	43,047	-	43,047	41,106
Member services	56,946	-	56,946	-	56,946	69,648
	<u>485,165</u>	<u>27,844</u>	<u>513,009</u>	<u>-</u>	<u>513,009</u>	<u>703,704</u>
Total program services						
Supporting services:						
Management and general	110,795	-	110,795	-	110,795	81,311
Fundraising	11,749	4,080	15,829	-	15,829	10,373
	<u>122,544</u>	<u>4,080</u>	<u>126,624</u>	<u>-</u>	<u>126,624</u>	<u>91,684</u>
Total supporting services						
Total expenses	<u>607,709</u>	<u>31,924</u>	<u>639,633</u>	<u>-</u>	<u>639,633</u>	<u>795,388</u>
Change in net assets	(1,643)	(10,653)	(12,296)	2,658	(9,638)	16,082
NET ASSETS, BEGINNING OF YEAR	<u>294,497</u>	<u>66,580</u>	<u>361,077</u>	<u>29,869</u>	<u>390,946</u>	<u>374,864</u>
NET ASSETS, END OF YEAR	<u>\$ 292,854</u>	<u>\$ 55,927</u>	<u>\$ 348,781</u>	<u>\$ 32,527</u>	<u>\$ 381,308</u>	<u>\$ 390,946</u>

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

Association of Partners for Public Lands, Inc.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2008

With Summarized Financial Information for the Year Ended September 30, 2007

	Program Services						Supporting Services			2007	
	Convention	Capacity Building	Information Sharing	Collective Representation	Member Services	Total Program Services	General and Administration	Fundraising	Total Supporting Services		
Salaries	\$ 65,180	\$ 17,480	\$ 44,639	\$ 11,351	\$ 37,708	\$ 176,358	\$ 47,785	\$ 6,520	\$ 54,305	\$ 230,663	\$ 214,849
Employee benefits	10,062	2,513	6,891	1,752	5,821	27,039	5,551	1,192	6,743	33,782	34,008
Payroll taxes	6,233	1,557	4,269	1,085	3,606	16,750	3,438	738	4,176	20,926	19,249
Total salaries and related expenses	81,475	21,550	55,799	14,188	47,135	220,147	56,774	8,450	65,224	285,371	268,106
Meetings and conventions	167,996	32,782	-	-	-	200,778	-	-	-	200,778	402,047
Professional fees	-	-	-	21,900	-	21,900	11,564	-	11,564	33,464	16,273
Occupancy	5,654	1,319	3,958	942	3,204	15,077	3,016	754	3,770	18,847	18,297
Repairs and maintenance	5,629	1,313	3,940	938	3,190	15,010	3,002	751	3,753	18,763	12,323
Board expenses	-	-	-	-	-	-	14,175	-	14,175	14,175	5,995
Credit card processing	9,267	452	-	-	678	10,397	-	904	904	11,301	4,968
Awards	9,797	-	-	-	-	9,797	-	-	-	9,797	8,408
Travel and entertainment	3,070	-	-	4,610	1,644	9,324	46	-	46	9,370	19,824
Insurance	1,477	-	-	-	-	1,477	4,704	-	4,704	6,181	6,770
Telephone and communication	-	-	-	-	203	203	5,217	-	5,217	5,420	5,655
Other	-	-	-	-	-	-	-	4,753	4,753	4,753	9,889
Supplies	924	-	-	-	-	924	3,121	-	3,121	4,045	4,427
Depreciation	1,161	271	813	194	658	3,097	620	155	775	3,872	3,466
Postage and delivery	1,610	-	-	105	234	1,949	1,435	62	1,497	3,446	3,632
Staff development	-	502	-	-	-	502	2,776	-	2,776	3,278	2,480
Miscellaneous	-	-	-	170	-	170	2,595	-	2,595	2,765	929
Bank fees	-	-	-	-	-	-	1,750	-	1,750	1,750	542
Dues and subscriptions	-	-	1,197	-	-	1,197	-	-	-	1,197	-
Printing and production	1,060	-	-	-	-	1,060	-	-	-	1,060	1,357
Total expenses	\$ 289,120	\$ 58,189	\$ 65,707	\$ 43,047	\$ 56,946	\$ 513,009	\$ 110,795	\$ 15,829	\$ 126,624	\$ 639,633	\$ 795,388

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

Association of Partners for Public Lands, Inc.
STATEMENT OF CASH FLOWS
Years Ended September 2008

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (9,638)	\$ 16,082
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	3,872	3,466
Realized/unrealized (gain) loss on investments	22,845	(11,819)
(Increase) decrease in operating assets:		
Accounts receivable	7,075	113,830
Prepaid expenses	(8,701)	14,916
Increase (decrease) in operating liabilities:		
Accounts payable and accrued liabilities	(965)	(12,977)
Deferred revenue	44,922	(31,661)
	<u>59,410</u>	<u>91,837</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(6,477)	(1,815)
Purchases of investments (includes income reinvested)	<u>(7,664)</u>	<u>(8,651)</u>
	<u>(14,141)</u>	<u>(10,466)</u>
Net cash used by investing activities		
Net change in cash and cash equivalents	45,269	81,371
Cash and cash equivalents at beginning of year	<u>149,861</u>	<u>68,490</u>
Cash and cash equivalents at end of year	<u>\$ 195,130</u>	<u>\$ 149,861</u>

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

Association of Partners for Public Lands, Inc.
NOTES TO FINANCIAL STATEMENTS
September 30, 2008

Note 1 - Summary of Significant Accounting Policies

Nature and Organization

Association of Partners for Public Lands, Inc. is a non-profit organization, incorporated in the State of California and located in Wheaton, Maryland. Its purpose is to aid and promote the interpretive, educational, historical and scientific activities of the National Park Service and other public land management agencies.

Basis of Accounting

The Association prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. This basis of accounting involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of Presentation

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended September 30, 2007, from which the summarized information was derived.

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor-imposed restriction. 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. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Association of Partners for Public Lands, Inc.
NOTES TO FINANCIAL STATEMENTS (Cont.)
September 30, 2008

Note 1 - Summary of Significant Accounting Policies (Cont.)

Property and Equipment

Property and equipment acquisitions in excess of \$500 are capitalized and recorded at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method. Gifts of long-lived assets such as land, buildings or equipment are recorded at their fair values and reported as unrestricted support, unless explicit donor stipulations specify how the donated assets must be used.

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 contingencies at the statement of financial position date and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Deferred Revenue

Deferred revenue consists of convention and trade show registration fees received in advance. These fees will be recognized during the fiscal year ended September 30, 2009.

Net Asset Classification

The net assets are reported in three self-balancing groups as follows:

Unrestricted net assets – operating represent the portion of expendable funds that are available for general operating purposes of the Association.

Unrestricted net assets – Board designated represent funds which have been designated by the Association's Board of Directors for capacity building.

Temporarily restricted net assets include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Association and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Association of Partners for Public Lands, Inc.
NOTES TO FINANCIAL STATEMENTS (Cont.)
September 30, 2008

Note 1 - Summary of Significant Accounting Policies (Cont.)

Income Taxes

The Association is exempt under Section 501(c)(3) of the Internal Revenue Code from paying federal income tax on any income except unrelated business income. No provision has been made for income taxes as the Association has had no unrelated business income. The Association is not a private foundation.

Cash and Cash Equivalents

The Association considers all unrestricted, highly liquid investments with an initial original maturity of three months or less to be cash equivalents.

Accounts Receivable

All accounts receivable are considered collectible at September 30, 2008 and 2007. Therefore no allowance for doubtful accounts has been established.

Concentration of Cash Balances

At September 30, 2008 and at various times during the year, the Association maintained cash-in-the-bank balances in excess of the federally insured limit of \$100,000. At September 30, 2008 and 2007, the excess balance was approximately \$98,000 and \$41,000, respectively.

Note 2 - Investments

Short-term investments consist of investments with maturities over 90 days and under one year. The Association invests in certificates of deposit and mutual funds which are stated at fair market value.

Investments consisted of the following at September 30:

	<u>Market Value</u>	
	<u>2008</u>	<u>2007</u>
Mutual Funds	\$ 74,655	\$ 95,747
Certificates of deposit	<u>170,422</u>	<u>164,510</u>
	<u>\$ 245,077</u>	<u>\$ 260,257</u>

Net unrealized gain/loss of investments of \$(22,845) and \$(11,819) is included in investment income as of September 30, 2008 and 2007, respectively.

Association of Partners for Public Lands, Inc.
 NOTES TO FINANCIAL STATEMENTS (Cont.)
 September 30, 2008

Note 3 - Property and Equipment

At September 30, 2008 and 2007, the carrying values and estimated lives of each class of property and equipment are as follows:

	Estimated Life (in years)	2008	2007
Furniture and equipment	5 - 7	\$ 33,404	\$ 26,928
Less accumulated depreciation		(24,354)	(20,481)
		\$ 9,050	\$ 6,447

Depreciation expense amounted to \$3,872 and \$3,466 for the years ended September 30, 2008 and 2007, respectively.

Note 4 - Compensated Absences

Employees at the Association are entitled to paid vacation depending on the length of service. September 30, 2008 and 2007, vacation benefits due to employees were \$14,068 and \$7,506, respectively.

Note 5 - Board Designated Net Assets

The Board has designated funds for the following purposes at September 30:

	2008	2007
Education and Scholarship Fund	\$ 55,927	\$ 48,446
Policy review fund	-	18,134
	\$ 55,927	\$ 66,580

Association of Partners for Public Lands, Inc.
 NOTES TO FINANCIAL STATEMENTS (Cont.)
 September 30, 2008

Note 6 - Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following as of September 30:

	2008	2007
Murfin Fund	\$ 19,121	\$ 19,021
Partnership	5,765	5,765
Next Generation Fund	7,641	5,083
	\$ 32,527	\$ 29,869

Note 7 - Lease Commitment

The Association has a non-cancelable three year lease for its headquarters' office space, which terminates on September 30, 2010. Rent expense for the years ended September 30, 2008 and 2007 was \$18,847 and \$18,297, respectively. Future minimum lease payments under this lease are as follows:

Year Ended September 30:	
2009	\$ 19,404
2010	19,980

Note 8 - Employee Benefits Plan

The Association maintains a qualified retirement plan that covers employees that meet certain age and length of service requirements. The Association contributes an amount equal to eight percent of the participant's salary and contributions are vested after five years. Total plan contribution expense for the years ended September 30, 2008 and 2007 was \$17,086 and 16,999, respectively.