

REPORT DIGEST

ILLINOIS STATE BOARD OF INVESTMENT FINANCIAL AUDIT FOR THE YEAR ENDED JUNE 30, 1995

INTRODUCTION

This digest covers our financial audit of the Board for the year ended June 30, 1995. A compliance audit covering the year ending June 30, 1995, will be issued separately.

AUDITORS' OPINION

Our auditors state that the June 30, 1995 financial statements of the Board are fairly presented. It should be noted that \$472,921,467 (9.87% of net assets) of investments have been recorded at values estimated by the Board due to the lack of readily ascertainable market values. Our auditors have reviewed the estimation procedures and have found them to be reasonable. However, because of the inherent uncertainty of valuation, those estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.

WILLIAM G. HOLLAND, Auditor General

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