



**LEAGUE OF AMERICAN WHEELMEN, INC.
(d/b/a/ League of American Bicyclists)
AND SUBSIDIARY**

Consolidated Financial Statements

For the Year Ended December 31, 2009

(With Summarized Financial Information for the Year Ended December 31, 2008)



**and
Report Thereon**



LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

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RAFFA

CONSULTING
ACCOUNTING
TECHNOLOGY

*Certified Public
Accountants*

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
League of American Wheelmen, Inc. and Subsidiary

We have audited the accompanying consolidated statement of financial position of the League of American Wheelmen, Inc. (d/b/a the League of American Bicyclists) and Subsidiary (collectively referred to as the League) as of December 31, 2009, and the related consolidated statements of activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the League's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The prior year summarized comparative information has been derived from the League's December 31, 2008, consolidated financial statements and in our report dated July 20, 2009, we expressed an unqualified opinion on those 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 consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the League's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the League as of December 31, 2009, 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 consolidated financial statements taken as a whole. The supplemental consolidating information that appears on pages 14 and 15 and the supplemental consolidated schedule of functional expenses that appears on page 16 are presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Raffa, P.C.

RAFFA, P.C.

Washington, DC
June 11, 2010

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2009

(With Summarized Financial Information as of December 31, 2008)

	<u>2009</u>	<u>2008</u>
ASSETS		
Cash and cash equivalents	\$ 5,126	\$ 75,417
Grants and contributions receivable, net	415,190	317,161
Accounts receivable, net	23,019	27,475
Investments	498,525	425,882
Prepaid expenses	17,905	14,290
Net furniture and equipment	43,783	30,952
Deposits	25,053	28,080
	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 1,028,601</u>	<u>\$ 919,257</u>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 178,982	\$ 199,935
Line of credit	70,000	175,581
Deferred revenue	58,160	22,751
Capital lease obligation	-	5,559
	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>307,142</u>	<u>403,826</u>
Net Assets		
Unrestricted	277,913	277,514
Temporarily restricted	443,546	237,917
	<u> </u>	<u> </u>
TOTAL NET ASSETS	<u>721,459</u>	<u>515,431</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,028,601</u>	<u>\$ 919,257</u>

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

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2009

(With Summarized Financial Information for the Year Ended December 31, 2008)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2009 Total</u>	<u>2008 Total</u>
REVENUE AND SUPPORT				
Grants and contributions	\$ 137,906	\$ 959,300	\$ 1,097,206	\$ 823,856
Membership dues	556,604	-	556,604	576,508
Program and rallies	517,940	-	517,940	431,458
Unrealized gains (losses) on investments	59,138	-	59,138	(119,121)
Publications	26,553	-	26,553	30,923
Donated services	18,625	-	18,625	2,010
Interest and dividends	13,511	-	13,511	17,137
Net assets released from restrictions:				
Satisfaction of program restrictions	603,671	(603,671)	-	-
Satisfaction of time restrictions	150,000	(150,000)	-	-
	<u>2,083,948</u>	<u>205,629</u>	<u>2,289,577</u>	<u>1,762,771</u>
TOTAL REVENUE AND SUPPORT				
EXPENSES				
Program Services				
Advocacy	959,902	-	959,902	841,479
Education	371,614	-	371,614	310,723
Membership services	323,632	-	323,632	257,014
Promotion	253,810	-	253,810	204,919
	<u>1,908,958</u>	<u>-</u>	<u>1,908,958</u>	<u>1,614,135</u>
Supporting Services				
Management and general	124,074	-	124,074	128,743
Fundraising	50,517	-	50,517	99,636
	<u>174,591</u>	<u>-</u>	<u>174,591</u>	<u>228,379</u>
	<u>2,083,549</u>	<u>-</u>	<u>2,083,549</u>	<u>1,842,514</u>
TOTAL EXPENSES				
CHANGE IN NET ASSETS	399	205,629	206,028	(79,743)
NET ASSETS, BEGINNING OF YEAR	<u>277,514</u>	<u>237,917</u>	<u>515,431</u>	<u>595,174</u>
NET ASSETS, END OF YEAR	<u>\$ 277,913</u>	<u>\$ 443,546</u>	<u>\$ 721,459</u>	<u>\$ 515,431</u>

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

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2009

(With Summarized Financial Information for the Year Ended December 31, 2008)

Increase (Decrease) in Cash and Cash Equivalents and Cash Equivalents

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 206,028	\$ (79,743)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	20,236	13,756
Unrealized losses (gains) on investments	(59,138)	119,121
Donated asset	(16,555)	-
Changes in assets and liabilities:		
Grants and contributions receivable	(98,029)	(4,422)
Accounts receivable	4,456	(867)
Prepaid expenses	(3,615)	(2,247)
Deposits	3,027	(5,846)
Accounts payable and accrued expenses	(20,953)	51,989
Deferred revenue	<u>35,409</u>	<u>(5,399)</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 <u>70,866</u>	 <u>86,342</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	-	20,000
Purchases of investments	(13,505)	(45,404)
Purchases of furniture and equipment	<u>(16,512)</u>	<u>(19,205)</u>
 NET CASH USED IN INVESTING ACTIVITIES	 <u>(30,017)</u>	 <u>(44,609)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings under line of credit agreement	217,000	100,581
Repayments on line of credit agreement	(322,581)	(76,246)
Principal payments on capital lease obligation	<u>(5,559)</u>	<u>(6,003)</u>
 NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	 <u>(111,140)</u>	 <u>18,332</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 <u>(70,291)</u>	 <u>60,065</u>
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>75,417</u>	<u>15,352</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 5,126</u>	<u>\$ 75,417</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 8,327</u>	<u>\$ 12,295</u>

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

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

1. Organization and Summary of Significant Accounting Policies

Organization

The League of American Wheelmen, Inc. (d/b/a the League of American Bicyclists) (LAB) is a not-for-profit organization incorporated under the laws of the State of Illinois. LAB is organized to: promote and protect the rights of bicyclists, advocate for the interests of bicyclists, support bicycling skills education, and promote bicycling for fun, fitness and transportation. The League's activities are funded primarily through membership dues and contributions.

The League of American Wheelmen, Inc. Life Member and Memorial Funds Trust (the Trust) was created on April 5, 1978, to provide income for use in the furtherance of the purposes and objectives of the League. LAB funds the Trust for every life membership contribution it receives.

The Trust terminates upon the dissolution of LAB without the transfer of assets of LAB to a successor bicycling organization, or upon the determination of the Board of Directors of the League. Upon termination of the Trust, the Trustees will distribute to each living Life Member as of December 31, 1987, unless such Life Member waived his/her rights in writing, the lifetime membership dues contributed by that member. Any remaining balance of trust assets will be distributed to a bicyclist, charitable, scientific, or educational organization selected by the Trustees.

Basis of Accounting

The consolidated financial statements have been prepared on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses are recognized when the obligations are incurred.

Principles of Consolidation

The consolidated financial statements include the account balances and transactions of LAB and the Trust (collectively referred to as the League). LAB and the Trust have been consolidated due to the presence of common control and economic interest, as required under accounting principles generally accepted in the United States of America. All significant inter-company balances and transactions have been eliminated in consolidation.

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

1. Organization and Summary of Significant Accounting Policies (continued)

New Accounting Pronouncements and Changes in Accounting Policy

During the year ended December 31, 2009, the League adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 105-10, *FASB Codification* (the Codification). The Codification is the single source of authoritative U.S. generally accepted accounting principles (GAAP). Accordingly, references to GAAP have been updated for the appropriate Codification reference.

Cash and Cash Equivalents

The League considers money market funds to be cash equivalents.

Accounts Receivable

Accounts receivable consist of amounts due principally from grants and publications. The League uses the allowance method to reserve for uncollectible accounts.

Investments

Investments consist of a mutual fund. These investments are reported at fair value based on quoted market prices.

Furniture and Equipment and Related Depreciation and Amortization

Furniture and equipment are recorded at cost and are being depreciated on a straight-line basis over their estimated useful lives of three to seven years. Equipment purchased under capital leases is amortized on a straight-line basis over the lives of the leases. Expenditures for major repairs and improvements are capitalized; expenditures for minor repairs and maintenance costs are expensed when incurred.

Classification of Net Assets

The net assets of the League are reported as follows:

- Unrestricted net assets represent the portion of expendable funds that are available for support of the League's operations.
- Temporarily restricted net assets represent amounts that are specifically restricted by donors or grantors for various purposes or time periods.

Continued

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

1. Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition

Membership dues are recognized as revenue when received, as actual benefits received are minimal and the dues are primarily contributions to support the League's activities.

Revenue from programs and rallies are recognized as revenue in the period in which the functions are held. Revenue from these activities received in advance of the program or rally is reported as deferred revenue in the accompanying consolidated statement of financial position.

Unrestricted grants and contributions are reported as revenue in the year in which payments are received and/or unconditional promises are made. Conditional promises to give are not included as support until such time as the conditions are substantially met. The League reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the accompanying consolidated statement of activities as net assets released from restrictions. Revenue recognized on grants and contributions that have been promised to the League but have not been received is reflected as grants and pledges receivable in the accompanying consolidated statement of financial position.

In accordance with the accounting standards for fair value measurements for those assets and liabilities that are measured at fair value on a recurring basis as of and for the year ended December 31, 2009, the League has categorized its applicable financial instruments into a required fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Applicable financial assets and liabilities are categorized based on the inputs to the valuation techniques as follows:

Level 1—Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the League has the ability to access.

Level 2—Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Continued

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

1. Organization and Summary of Significant Accounting Policies (continued)

Fair Value Measurements (continued)

Level 3—Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

As of and for the year ended December 31, 2009, only the League's investments, as described in Note 3 of these financial statements, were measured at fair value on a recurring basis.

Functional Allocation of Expenses

The costs of the various programs and other activities are summarized on a functional basis in the accompanying consolidated statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services based upon direct costs.

Estimates

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

2. Grants and Contributions Receivable

At December 31, 2009, grants and contributions receivable consisted of unconditional promises to give of \$415,190, are due from various foundations and organizations, and are anticipated to be received within one year. Management deems the grants and contributions receivable to be fully collectible.

In 2007, the League entered into a three-year memorandum of understanding (MOU) with a bicycle manufacturer to donate to the League \$1.00 for each bicycle helmet sold by the manufacturer's dealers for the period August 1, 2007 through July 31, 2010, up to \$1 million in total. The League considers this MOU as a conditional promise and recognizes revenue based only on the amounts reported by the manufacturer. For the year ended December 31, 2009, the League earned contributions totaling \$377,300 and has included such amounts in grants and contributions revenue in the accompanying consolidated statement of activities. As of December 31, 2009, \$90,190 of the amount has not yet been collected and is included in grants and contributions receivable in the accompanying consolidated statement of financial position.

Continued

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

3. Investments

As of December 31, 2009, the League's investments consist of a mutual fund with a fair value of \$498,525. This mutual fund, which is publicly traded, typically allocates assets within the following ranges: 35% in bonds, 20% in short-term fixed-income securities and 45% in common stock. The League has valued its investments using quoted market prices in active markets for identical assets (Level 1, as described in Note 1 to these financial statements). Where quoted prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy.

Investment returns are summarized as follows for the year ended December 31, 2009:

Interest and dividends	\$ 13,511
Unrealized gains on investments	<u>59,138</u>
Total	<u>\$ 72,649</u>

4. Furniture and Equipment and Accumulated Depreciation and Amortization

The League held the following furniture and equipment as of December 31, 2009:

Equipment	\$ 124,231
Furniture	<u>29,585</u>
Total furniture and equipment	153,816
Less: Accumulated depreciation and amortization	<u>110,033</u>
Net furniture and equipment	<u>\$ 43,783</u>

5. Line of Credit

The League has a \$200,000 line of credit with a financial institution. Amounts drawn on the line bear interest at 5.25% until its renewal on September 23, 2009, when the rate increased to 7.25%. The line of credit expires on July 26, 2010. Interest expense relating to the line of credit totaled \$7,656 for the year ended December 31, 2009. As of December 31, 2009, the outstanding balance on this line of credit was \$70,000.

Continued

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

6. Capital Lease Obligation

The League leases a copier under a capital lease that expired in December 2009. The copier is included in furniture and equipment in the accompanying consolidated statement of financial position at a cost of \$25,747, which has been fully depreciated as of December 31, 2009.

7. Temporarily Restricted Net Assets

Temporarily restricted net assets were available as of December 31, 2009:

Membership	\$ 200,000
Bicycle Friendly Communities	168,546
National Bike Summit	<u>75,000</u>
Total	<u>\$ 443,546</u>

Net assets were released from donor-imposed restrictions by incurring expenses that satisfied the restricted purposes. For the year ended December 31, 2009, net assets released from restrictions were as follows:

Satisfaction of time restrictions	<u>\$ 150,000</u>
Satisfaction of purpose restrictions:	
Bicycle Friendly Communities	522,391
National Bike Summit	75,000
Safe Routes	<u>6,280</u>
	<u>603,671</u>
Total	<u>\$ 753,671</u>

8. Commitments

Employment Agreement

On January 29, 2008, the League entered into an employment agreement with its Executive Director for the term beginning January 1, 2008 through December 31, 2008, which was renewed for an additional term of three years. Under the terms of the agreement, the League is to pay to the Executive Director amounts for compensation, benefits and allowances, unless the League terminates the agreement for cause. If the League terminates the agreement without cause as defined in the agreement within the first year of this Agreement, the Executive Director is entitled to six months of severance at his current compensation.

Continued

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

8. Commitments (continued)

Office Lease

The League leases office space under a noncancelable operating lease that expires on April 30, 2011. Under the terms of the lease, the base rent increases annually on an incremental basis, as stated in the lease agreement. Rent expense was \$81,881 for the year ended December 31, 2009.

The future minimum payments under this lease, as renewed, are as follows:

<u>For the Year Ending</u> <u>December 31,</u>	
2010	\$ 84,435
2011	<u>28,599</u>
Total	<u>\$ 113,034</u>

9. Retirement Plan

Effective January 1, 2002, the League established a defined contribution retirement plan (the Plan) under Internal Revenue Code Section 403(b). All employees are eligible to enroll and can begin contributing at any time immediately following his or her commencement of employment. Participating employees may change their contribution amount once annually. Employees may cancel their participation in the Plan at any time during the year. Contributions are made to the Plan on behalf of participants after the completion of one year of employment and equal 25% of the employee's contribution up to 10% of the employee's salary. Contributions to the Plan were \$9,078 for the year ended December 31, 2009.

10. Income Taxes

LAB is exempt from federal income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code (IRC). The Internal Revenue Service has determined that the League is not a private foundation within the meaning of Section 509(a) of the IRC. LAB is subject to income tax on its unrelated business income activities, which consists of the sale of advertising in LAB's magazine. There was no tax liability for unrelated business income for the year ended December 31, 2009.

Continued

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

10. Income Taxes (continued)

The Trust is a grantor-type trust, which does not report either income or expenses. The activity of the Trust flows through to LAB, which is the beneficiary of the Trust. The activity of the Trust is also considered exempt from federal income taxes.

Effective January 1, 2009, the League adopted the authoritative guidance relating to accounting for uncertainty in income taxes included in ASC Topic *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The League performed an evaluation of uncertain tax positions for the year ended December 31, 2009, and determined that there were no matters that would require recognition in the financial statements or which may have any affect on its tax-exempt status. As of December 31, 2009, the statute of limitations for tax years 2006 through 2008 remains open with the U.S. federal jurisdiction or the various states and local jurisdictions in which the League files tax returns.

11. Liquidity

As of December 31, 2009, LAB had a deficiency in unrestricted net assets of \$227,738. Management anticipates that operating results will significantly improve due to the renewal of certain multi-year grants. As of December 31, 2009, LAB maintained a working capital ratio of 1.85:1, excluding the Trust's investments. LAB expects to expand its programs and anticipates continued growth in 2010 and has developed a business plan that will enable it to generate operating revenues in excess of operating expenses on a consistent and recurring basis.

Management believes that success of LAB's grant activity and membership subscriptions and other earned revenues will allow it to meet its primary financial objectives in 2010.

12. Prior Year Summarized Consolidated Financial Information

The accompanying consolidated 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 League's financial statements for the year ended December 31, 2008, from which the summarized information was derived.

Continued

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2009

13. Subsequent Events

In preparing these financial statements, the League has evaluated events and transactions for potential recognition or disclosure through June 11, 2010, the date the financial statements were available to be issued

SUPPLEMENTAL INFORMATION

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2009

	<u>League of American Wheelmen, Inc.</u>	<u>LAW Life Member and Memorial Funds Trust</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
ASSETS				
Cash and cash equivalents	\$ 3,985	\$ 1,141	\$ -	\$ 5,126
Grants and contributions receivable	415,190	-	-	415,190
Accounts receivable	23,019	88,575	(88,575)	23,019
Investments	-	498,525	-	498,525
Prepaid expenses	17,905	-	-	17,905
Net furniture and equipment	43,783	-	-	43,783
Deposits and other assets	25,053	-	-	25,053
Due from Trust	82,590	-	(82,590)	-
	<u>\$ 611,525</u>	<u>\$ 588,241</u>	<u>\$ (171,165)</u>	<u>\$ 1,028,601</u>
LIABILITIES AND NET ASSETS				
Accounts payable and accrued expenses	\$ 178,982	\$ 82,590	\$ (82,590)	\$ 178,982
Line of credit	70,000	-	-	70,000
Deferred revenue	58,160	-	-	58,160
Capital lease obligation	-	-	-	-
Due to Trust	88,575	-	(88,575)	-
	<u>395,717</u>	<u>82,590</u>	<u>(171,165)</u>	<u>307,142</u>
Net Assets				
Unrestricted	(227,738)	505,651	-	277,913
Temporarily restricted	443,546	-	-	443,546
	<u>215,808</u>	<u>505,651</u>	<u>-</u>	<u>721,459</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 611,525</u>	<u>\$ 588,241</u>	<u>\$ (171,165)</u>	<u>\$ 1,028,601</u>

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2009

	<u>League of American Wheelmen, Inc.</u>					
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>LAW Life Member and Memorial Funds Trust</u>	<u>Eliminations</u>	<u>Consolidated Total</u>
REVENUE AND SUPPORT						
Grants and contributions	\$ 177,906	\$ 959,300	\$ 1,137,206	\$ 39,675	\$ (79,675)	\$ 1,097,206
Membership dues	556,604	-	556,604	-	-	556,604
Programs and rallies	517,940	-	517,940	-	-	517,940
Unrealized loss on investments	-	-	-	59,138	-	59,138
Publications	26,553	-	26,553	-	-	26,553
Donated services	18,625	-	18,625	-	-	18,625
Interest and dividends	-	-	-	13,511	-	13,511
Net assets released from restrictions:						
Satisfaction of time restrictions	150,000	(150,000)	-	-	-	-
Satisfaction of program restrictions	603,671	(603,671)	-	-	-	-
TOTAL REVENUE AND SUPPORT	<u>2,051,299</u>	<u>205,629</u>	<u>2,256,928</u>	<u>112,324</u>	<u>(79,675)</u>	<u>2,289,577</u>
EXPENSES						
Program Services						
Advocacy	959,902	-	959,902	-	-	959,902
Education	371,614	-	371,614	-	-	371,614
Membership services	363,307	-	363,307	-	(39,675)	323,632
Promotion	253,810	-	253,810	-	-	253,810
Total Program Services	<u>1,948,633</u>	<u>-</u>	<u>1,948,633</u>	<u>-</u>	<u>(39,675)</u>	<u>1,908,958</u>
Supporting Services						
Management and general	118,484	-	118,484	5,590	-	124,074
Fundraising	50,517	-	50,517	-	-	50,517
Unallocated payments to League	-	-	-	40,000	(40,000)	-
Total Supporting Services	<u>169,001</u>	<u>-</u>	<u>169,001</u>	<u>45,590</u>	<u>(40,000)</u>	<u>174,591</u>
TOTAL EXPENSES	<u>2,117,634</u>	<u>-</u>	<u>2,117,634</u>	<u>45,590</u>	<u>(79,675)</u>	<u>2,083,549</u>
CHANGE IN NET ASSETS	(66,335)	205,629	139,294	66,734	-	206,028
NET ASSETS (DEFICITS), BEGINNING OF YEAR	<u>(161,403)</u>	<u>237,917</u>	<u>76,514</u>	<u>438,917</u>	<u>-</u>	<u>515,431</u>
NET ASSETS (DEFICITS), END OF YEAR	<u>\$ (227,738)</u>	<u>\$ 443,546</u>	<u>\$ 215,808</u>	<u>\$ 505,651</u>	<u>\$ -</u>	<u>\$ 721,459</u>

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY
CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2009
(With Summarized Financial Information for the Year Ended December 31, 2008)

	Program Services				Supporting Services				2009 Total	2008 Total
	Advocacy	Education	Membership Services	Promotion	Total Program Services	Management and General	Fundraising	Total Supporting Services		
Salaries	\$ 405,349	\$ 149,377	\$ 121,756	\$ 71,284	\$ 747,766	\$ 80,146	\$ 4,302	\$ 84,448	\$ 832,214	\$ 699,423
Professional services	59,202	50,354	46,993	54,186	210,735	57,247	2,480	59,727	270,462	264,728
Facilities and club fees	161,887	32,773	-	10,885	205,545	1,112	-	1,112	206,657	126,810
Printing	43,544	12,620	55,378	47,673	159,215	1,454	17,731	19,185	178,400	180,075
Benefits	65,502	24,139	19,675	11,519	120,835	12,951	695	13,646	134,481	99,142
Postage and delivery	8,869	15,910	42,457	25,947	93,183	1,466	19,876	21,342	114,525	100,404
Travel	49,934	30,077	-	7,200	87,211	16,251	-	16,251	103,462	121,065
Rent	-	-	-	-	-	81,881	-	81,881	81,881	78,018
Supplies	12,410	12,115	1,308	3,266	29,099	8,731	3,577	12,308	41,407	38,089
Dues and subscriptions	33,154	-	-	724	33,878	5,234	575	5,809	39,687	60,250
Bank and credit card fees	-	-	-	-	-	22,308	-	22,308	22,308	17,794
Depreciation and amortization	-	-	-	-	-	20,236	-	20,236	20,236	13,756
Insurance	-	-	-	-	-	9,192	-	9,192	9,192	8,192
Telephone and Internet	-	-	-	-	-	9,179	-	9,179	9,179	10,511
Interest	-	-	-	-	-	8,327	-	8,327	8,327	12,295
Equipment rental and maintenance	-	-	-	-	-	7,142	-	7,142	7,142	4,783
Taxes	-	-	-	-	-	2,300	-	2,300	2,300	981
Gain or loss on disposal	-	-	-	-	-	1,689	-	1,689	1,689	-
Temporary and part-time help	-	-	-	-	-	-	-	-	-	5,582
Reserve for bad debt	-	-	-	-	-	-	-	-	-	616
Indirect cost and fringe benefit allocation	120,051	44,249	36,065	21,126	221,491	(222,772)	1,281	(221,491)	-	-
TOTAL EXPENSES	\$ 959,902	\$ 371,614	\$ 323,632	\$ 253,810	\$ 1,908,958	\$ 124,074	\$ 50,517	\$ 174,591	\$ 2,083,549	\$ 1,842,514