

**LEAGUE OF AMERICAN WHEELMEN, INC.  
(D/B/A LEAGUE OF AMERICAN BICYCLISTS)  
AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2014**

---

**KRONZEK, FISHER & LOPEZ, PLLC**  
*Certified Public Accountants*

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

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	3
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position December 31, 2014	4
Consolidated Statement of Activities For the year ended December 31, 2014	5
Consolidated Statement of Cash Flows For the year ended December 31, 2014	6
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	7-11
SUPPLEMENTAL INFORMATION	
Consolidating Statement of Financial Position December 31, 2014	12
Consolidating Statement of Activities For the year ended December 31, 2014	13
Consolidated Statement of Functional Expenses For the year ended December 31, 2014	14

**KRONZEK, FISHER & LOPEZ, PLLC**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**607 2ND STREET, NE**  
**WASHINGTON, DC 20002-4909**  
**TEL: (202) 547-CPAS (2727) FAX: (202) 547-2728**  
**www.cpakfl.com**

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the League of American Wheelman, Inc. (d/b/a League of American Bicyclists) and Subsidiary (collectively referred to as the League) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014 and December 31, 2013, and the related statements of activities, functional expenses and cash flows 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 accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's 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 from material misstatement.

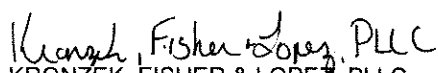
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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 above present fairly, in all material respects, the financial position of the League as of December 31, 2014 and December 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basis consolidated financial statements taken as a whole. The supplemental consolidating information that appears on pages 12 and 13 and the supplemental consolidated schedule of functional expenses that appears on page 14 are presented for purposes of additional analysis and are not a required part of the basic financial 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.

  
KRONZEK, FISHER & LOPEZ, PLLC  
Washington, DC  
June 17, 2016

## LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2014

(With summarized Financial Information as of December 31, 2013)

ASSETS

	<u>2014</u>	<u>2013</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 96,535	\$ 84,345
Receivables (see Note 3)	283,658	485,008
Investments	594,043	561,986
Prepaid expenses	15,455	13,905
	<u>989,691</u>	<u>1,145,244</u>
<b>PROPERTY AND EQUIPMENT</b>		
Furniture & equipment	216,637	204,287
Less: accumulated depreciation & amortization	<u>192,002</u>	<u>174,598</u>
	24,635	29,689
<b>OTHER ASSETS</b>		
Receivables, net of current and discount (see Note 3)	-	2,941
Intangible assets, net	29,147	43,720
Deposits	<u>32,061</u>	<u>32,061</u>
	<u>61,208</u>	<u>78,722</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,075,534</u>	<u>\$ 1,253,655</u>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 340,657	\$ 147,427
Line of credit	177,239	-
Deferred revenue	32,398	85,254
Capital lease obligation - current	<u>2,835</u>	<u>3,277</u>
	553,129	235,958
<b>LONG TERM LIABILITIES</b>		
Capital lease obligation - net of current	<u>3,223</u>	<u>288</u>
<b>TOTAL LIABILITIES</b>	556,352	236,246
<b>NET ASSETS</b>		
Unrestricted	427,466	516,475
Temporarily restricted	<u>91,716</u>	<u>500,934</u>
<b>TOTAL NET ASSETS</b>	<u>519,182</u>	<u>1,017,409</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,075,534</u>	<u>\$ 1,253,655</u>

See accompanying notes to financial statements.

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2014

(With summarized Financial Information for the Year Ended December 31, 2013)

	Unrestricted	Temporarily Restricted	2014 Total	2013 Total
<b>REVENUE</b>				
Grants & Contributions	\$ 613,428	\$ 656,015	\$ 1,269,443	\$ 1,546,243
Membership dues	688,726	-	688,726	616,016
Programs & rallies	480,190	-	480,190	417,512
Publications	3,215	-	3,215	19,540
Interest & dividends	13,206	-	13,206	11,157
Net realized & unrealized gain/(loss)	26,526	-	26,526	38,210
	<u>1,825,291</u>	<u>656,015</u>	<u>2,481,306</u>	<u>2,648,678</u>
Net assets released from:				
Satisfaction of program restrictions	<u>1,065,233</u>	<u>(1,065,233)</u>	<u>-</u>	<u>-</u>
Total revenue	<u>2,890,524</u>	<u>(409,218)</u>	<u>2,481,306</u>	<u>2,648,678</u>
<b>EXPENSES</b>				
Program Services				
Advocacy	1,795,170	-	1,795,170	1,574,973
Education	337,980	-	337,980	275,676
Membership services	256,054	-	256,054	359,997
Promotion	403,733	-	403,733	428,858
Total program expenses	<u>2,792,937</u>	<u>-</u>	<u>2,792,937</u>	<u>2,639,504</u>
Support Services				
General & Administrative	49,566	-	49,566	58,176
Fundraising	137,030	-	137,030	118,593
Total support expenses	<u>186,596</u>	<u>-</u>	<u>186,596</u>	<u>176,769</u>
Total expenses	<u>2,979,533</u>	<u>-</u>	<u>2,979,533</u>	<u>2,816,273</u>
CHANGE IN NET ASSETS (DEFICIT)	(89,009)	(409,218)	(498,227)	(167,595)
Beginning net assets	<u>516,475</u>	<u>500,934</u>	<u>1,017,409</u>	<u>1,185,004</u>
Ending net assets	<u>\$ 427,466</u>	<u>\$ 91,716</u>	<u>\$ 519,182</u>	<u>\$ 1,017,409</u>

See accompanying notes to financial statements.

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

(With summarized Financial Information for the Year Ended December 31, 2013)

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Cash received from grants & contributions	\$ 1,479,634	\$ 1,532,486
Cash received from Membership dues	688,726	616,016
Cash received from programs & rallies	421,434	449,971
Cash received from other activities	3,215	19,540
Cash received from interest income	-	1
Cash paid to employees and vendors	(2,755,876)	(2,776,485)
Net cash (used)/provided from operating activities	<u>(162,867)</u>	<u>(158,471)</u>
Cash flows from investing activities:		
Net sale/(purchase) of investments	7,675	38,698
Purchase of furniture & equipment	(12,350)	(19,926)
Cash paid for website design & development costs	-	(43,720)
Net cash (used)/provided from investing activities	<u>(4,675)</u>	<u>(24,948)</u>
Cash flows from financing activities:		
Net borrowing on line of credit	177,239	-
Net borrowing on capital lease obligations	2,493	(2,971)
Net cash (used)/provided from financing activities	<u>179,732</u>	<u>(2,971)</u>
Net increase/(decrease) in cash and cash equivalents	12,190	(186,390)
Cash and cash equivalents - January 1, 2014 & January 1, 2013	<u>84,345</u>	<u>270,735</u>
Cash and cash equivalents - December 31, 2014 & December 31, 2013	<u>\$ 96,535</u>	<u>\$ 84,345</u>
Reconciliation of increase/(decrease) in net assets to net cash used by operating activities:		
Increase/(decrease) in net assets	\$ (498,227)	\$ (167,595)
Adjustments to reconcile increase/(decrease) in net assets to net cash (used)/provided by operating activities:		
Depreciation & amortization	31,977	17,283
Reinvested dividends & capital gains	(13,206)	(11,156)
Net realized & unrealized (gain)/loss on investments	(26,526)	(38,210)
Changes in assets and liabilities:		
(Increase)/decrease in receivables	204,291	(13,757)
(Increase)/decrease in prepaid expenses	(1,550)	9,434
Increase/(decrease) in accounts payable and accrued expenses	193,230	13,071
Increase/(decrease) in deferred revenue	(52,856)	32,459
Net cash (used)/provided by operating activities	<u>\$ (162,867)</u>	<u>\$ (158,471)</u>

See accompanying notes to financial statements.

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

**NOTE 1 - ORGANIZATION**

The League of American Wheelmen, Inc. (d/b/a League of American Bicyclists) (LAB) is a not-for-profit organization incorporated in the state of Illinois and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, but is subject to unrelated business income tax. The organization is a publicly supported organization under Section 509(a)(1) of the Internal Revenue Code and Subsection 170(b)(A)(vi). 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 Trustee.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of accounting - The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America for not-for-profit organizations.

Basis of Presentation - The financial statement presentation follows the provisions of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205. The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

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.

Revenue Recognition - Grants and contributions are recognized when an unconditional grant or contribution has been awarded, or when the organization has satisfied the requirement of the condition. Grants and contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence of any donor restrictions.

Unrestricted grants & contributions are recognized in the unrestricted fund when awarded. Grants and contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets. When the provisions of the restriction have been met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The organization had no permanently restricted grants

Memberships are effectively contributions, and there is no liability for future services associated with received membership dues, thus all dues are recognized as revenue as received.

Furniture and equipment - Furniture and equipment are recorded at cost. Depreciation on furniture and equipment is determined by the straight-line method based on estimated useful lives of three to seven years.



LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Intangible Assets – Intangible assets consist of costs related to the design and development of the organization's website, net of accumulated amortization. Amortization is being computed over an estimated useful life of three years. Costs associated with maintaining the website will be expensed as incurred.

Cash and Cash Equivalents – The organization considers cash and cash equivalents to include all monies in banks and highly liquid investments.

Fair Value of Financial Instruments - The financial instruments of the organization are reported on the consolidated statement of financial position at market or fair values, or at carrying amounts that approximate fair values because of the short maturity of the instruments. See Note 9 for a description of financial instruments carried at fair value.

Investments – The organization reports under ASC 320 Investments - Debt & Equity Securities. Under ASC 320, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the consolidated statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Functional expenses – The organization accounts for its expenses on a functional basis. Functional expenses include certain allocated overhead costs (rent, telephone, insurance, etc).

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

**NOTE 3 – RECEIVABLES**

The League had \$283,658 recorded in receivables at December 31, 2014. Management believes these amounts to be fully collectible based on historical collection experience and other factors and, therefore, has not recorded an allowance against the receivables as of December 31, 2014. The receivables balance at December 31, 2014 is comprised of the following:

Grants	\$150,848
Pledges	127,000
Other	<u>5,810</u>
	\$283,658

**NOTE 4 – RETIREMENT PLAN**

Effective January 1, 2002 the League established a 403(b) retirement plan. 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. Employer contributions to the plan were \$17,775 for the year ended December 31, 2014.

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

**NOTE 5 – TEMPORARILY RESTRICTED NET ASSET**

Temporarily restricted net assets are available for the following purposes:

Bicycle Friendly Communities	\$ 5,883
Summit Scholarships	640
Advocacy	<u>85,193</u>
Total	\$ 91,716

Net assets were released from donor restrictions by incurring expenses or satisfying the purpose of time restrictions specified by donors as follows:

Bicycle Friendly Communities	\$ 686,492
National Bike Summit	85,000
Advocacy	242,491
Promotion	<u>51,250</u>
Total	\$1,065,233

**NOTE 6 – LINE OF CREDIT**

The League has a \$200,000 line of credit at PNC Bank with a variable interest rate. At December 31, 2014, the outstanding balance on this line of credit was \$177,239 at a variable interest rate of 3.250%

**NOTE 7 – CAPITAL LEASE OBLIGATION**

Effective February 2010, the League leases a copier under a capital lease through January 2015. The copier is included in fixed assets in the consolidated statement of financial position at a cost of \$13,702, which is being depreciated over 5 years. Effective April 2014, the League began leasing a telephone system under a capital lease through January 2017. The telephone system is included in fixed assets in the consolidated statement of financial position at a cost of \$7,800, which is being depreciated over 3 years.

**NOTE 8 – COMMITMENTS AND CONTINGENCIES**

The League occupied office space at 1612 K Street, NW, Suite 510, Washington, DC under a lease that expired March 31, 2014. Effective August 15, 2013 the League signed a lease for office space at 1612 K Street, NW Suite 308, Washington, DC under a lease for the period November 1, 2013 through October 31, 2016. The lease on Suite 510 was cancelled without penalties effective November 1, 2013.

The minimum lease commitments contained under this new lease are as follows:

January 1 – December 31, 2015	\$ 113,218
January 1 – October 31, 2016	96,695

Rent expense was \$112,193 for the year ended December 31, 2014.

**NOTE 9 – OTHER COMMITMENTS AND CONTINGENCIES**

Postage Meter Rental – The League leases a postage meter rental under a 57 month, non-cancelable lease effective August 2012. Quarterly payments are \$825.

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

**NOTE 10 – FAIR VALUE MEASUREMENTS**

The organization adopted FASB ASC 820-10 for financial assets (and liabilities) measured on a recurring basis, as amended. FASB ASC 820-10 clarifies fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. FASB ASC 820-10 emphasizes that fair value is a market based measurement, not an entity-specific measurement, and therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, FASB ASC 820-10 established a fair value hierarchy based upon the transparency of the inputs to the valuation of an asset or liability. These inputs may be observable, whereby the market participant assumptions are developed based on market data obtained from independent sources, and unobservable, whereby assumptions about market participant assumptions are developed by the reporting entity based on the best information available in the circumstances. The three levels of the fair value hierarchy under FASB ASC 820-10 are described as follows:

Level 1 – inputs based on quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset and liability, either directly or indirectly, through corroboration with observable market data (market corroborated inputs).

Level 3 – unobservable inputs for the asset or liability including inputs that reflect the reporting entity's assumptions in determining the fair value measurements.

The following table summarizes the Organization's assets and liabilities measured at fair value on a recurring basis as of December 31, 2014:

Assets Measured at Fair Value

<u>Description</u>	<u>Fair Value</u>	<u>Level 1</u>
Money Market	\$ 899	\$ 899
Stock	492	492
Mutual Funds	593,551	593,551

The Organization used the following methods and significant assumptions to estimate fair value for assets and liabilities recorded at fair value.

Money Market, Stock & Mutual Funds are measured using quoted market prices for identical assets in active markets.

**NOTE 11 - DONATED SERVICES & GOODS**

The organization received donated services & goods from various companies to cover expenses related to activities of the organization. The value of these services and goods, which required specialized skills and/or funds to purchase, totaled \$33,500 for the year ended December 31, 2014. The income and related expenses of these donated services and goods are recognized in these financial statements respectively under contributions and professional services and supplies.

**NOTE 12– INCOME TAXES**

The Organization follows the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB ASC 740-10, 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 de-recognition of tax positions taken or expected to be taken in a tax return. The Organization

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 12- INCOME TAXES (CONTINUED)**

performed an evaluation of uncertain tax positions for the year ended December 31, 2014, and determined that there were no matters that would require recognition in the financial statements or which may have any effect on its tax-exempt status. As of December 31, 2014, the statute of limitations for tax years 2011 through 2013 remains open with federal and DC authorities.

**NOTE 13- SUBSEQUENT EVENTS**

The organization's management has evaluated subsequent events through June 17, 2016, the date the financial statements were available to be issued.

Due to its substantial losses during FYE 12/31/14 and through the third quarter of FYE 12/31/15, the organization made significant changes during 2015 to address its financial situation including reducing its staff size and making cuts in other expenses. The organization also transferred a total of \$170,000 from its Life Member and Memorial Funds Trust to its operating account during 2015 as an advance on future payouts of interest.

The organization's activities listed above were designed to improve its financial position subsequent to 12/31/14.

SUPPLEMENTAL INFORMATION

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2014

ASSETS

	League of American Wheelmen, Inc.	LAW Life Member and Memorial Funds Trust	Eliminations	Total
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 95,636	\$ 899	\$ -	\$ 96,535
Receivables (see Note 3)	303,658	19,480	(39,480)	283,658
Investments	492	593,551	-	594,043
Prepaid expenses	15,455	-	-	15,455
	415,241	613,930	(39,480)	989,691
<b>PROPERTY AND EQUIPMENT</b>				
Furniture & equipment	216,637	-	-	216,637
Less: accumulated depreciation & amortization	192,002	-	-	192,002
	24,635	-	-	24,635
<b>OTHER ASSETS</b>				
Intangible assets, net	29,147	-	-	29,147
Deposits	32,061	-	-	32,061
	61,208	-	-	61,208
<b>TOTAL ASSETS</b>	<b>\$ 501,084</b>	<b>\$ 613,930</b>	<b>\$ (39,480)</b>	<b>\$ 1,075,534</b>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 360,137	\$ 20,000	\$ (39,480)	\$ 340,657
Line of credit	177,239	-	-	177,239
Deferred revenue	32,398	-	-	32,398
Capital lease obligation - current	2,835	-	-	2,835
	572,609	20,000	(39,480)	553,129
<b>LONG TERM LIABILITIES</b>				
Capital lease obligation - net of current	3,223	-	-	3,223
<b>TOTAL LIABILITIES</b>	<b>575,832</b>	<b>20,000</b>	<b>(39,480)</b>	<b>556,352</b>
<b>NET ASSETS</b>				
Unrestricted	(166,464)	593,930	-	427,466
Temporarily restricted	91,716	-	-	91,716
<b>TOTAL NET ASSETS</b>	<b>(74,748)</b>	<b>593,930</b>	<b>-</b>	<b>519,182</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 501,084</b>	<b>\$ 613,930</b>	<b>\$ (39,480)</b>	<b>\$ 1,075,534</b>

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY

CONSOLIDATING STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2014

	League of American Wheelmen, Inc.			LAW Life Member and Memorial Funds Trust	Eliminations	Total
	Unrestricted	Temporarily Restricted	Total			
<b>REVENUE</b>						
Grants & Contributions	\$ 653,428	\$ 656,015	\$ 1,309,443	\$ -	\$ (40,000)	\$ 1,269,443
Membership dues	659,576	-	659,576	29,150	-	688,726
Programs & rallies	480,190	-	480,190	-	-	480,190
Publications	3,215	-	3,215	-	-	3,215
Interest & dividends	798	-	798	12,408	-	13,206
Net realized & unrealized gain/(loss)	-	-	-	26,526	-	26,526
	<u>1,797,207</u>	<u>656,015</u>	<u>2,453,222</u>	<u>68,084</u>	<u>(40,000)</u>	<u>2,481,306</u>
Net assets released from:						
Satisfaction of program restrictions	<u>1,065,233</u>	<u>(1,065,233)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>2,862,440</u>	<u>(409,218)</u>	<u>2,453,222</u>	<u>68,084</u>	<u>(40,000)</u>	<u>2,481,306</u>
<b>EXPENSES</b>						
<b>Program Services</b>						
Advocacy	1,795,170	-	1,795,170	-	-	1,795,170
Education	337,980	-	337,980	-	-	337,980
Membership services	256,054	-	256,054	-	-	256,054
Promotion	403,733	-	403,733	-	-	403,733
Total program expenses	<u>2,792,937</u>	<u>-</u>	<u>2,792,937</u>	<u>-</u>	<u>-</u>	<u>2,792,937</u>
<b>Support Services</b>						
General & Administrative	49,566	-	49,566	-	-	49,566
Fundraising	137,030	-	137,030	-	-	137,030
Payments from Trust to League	-	-	-	40,000	(40,000)	-
Total support expenses	<u>186,596</u>	<u>-</u>	<u>186,596</u>	<u>40,000</u>	<u>(40,000)</u>	<u>186,596</u>
Total expenses	<u>2,979,533</u>	<u>-</u>	<u>2,979,533</u>	<u>40,000</u>	<u>(40,000)</u>	<u>2,979,533</u>
CHANGE IN NET ASSETS (DEFICIT)	(117,093)	(409,218)	(526,311)	28,084	-	(498,227)
Beginning net assets	<u>(49,371)</u>	<u>500,934</u>	<u>451,563</u>	<u>565,846</u>	<u>-</u>	<u>1,017,409</u>
Ending net assets	<u>\$ (166,464)</u>	<u>\$ 91,716</u>	<u>\$ (74,748)</u>	<u>\$ 593,930</u>	<u>\$ -</u>	<u>\$ 519,182</u>

LEAGUE OF AMERICAN WHEELMEN, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2014

(With summarized Financial Information for the Year Ended December 31, 2013)

	Advocacy	Education	Membership Services	Promotion	Total		Fund-Raising	Total Support Services	2014 Total	2013 Total
					Program Support	General & Admin.				
Salaries	\$ 736,083	\$ 128,878	\$ 113,497	\$ 166,690	\$ 1,145,148	\$ 125,745	\$ 67,879	\$ 193,624	\$ 1,338,772	\$ 1,124,710
Payroll taxes & benefits	130,339	23,014	20,017	29,766	203,136	22,454	12,121	34,575	237,711	171,760
Professional services	152,259	51,570	31,836	48,716	284,381	100,986	8,017	109,003	393,384	491,151
Facility & catering fees	235,486	-	-	-	235,486	2,819	-	2,819	238,305	214,614
Printing	45,735	35,223	27,211	37,003	145,172	2,866	5,616	8,482	153,654	154,991
Postage & delivery	4,862	17,946	16,541	35,209	74,558	1,556	5,080	6,636	81,194	82,417
Travel	143,781	29,892	-	10,240	183,913	27,154	10,623	37,777	221,690	163,066
Rent	-	-	-	-	-	112,193	-	112,193	112,193	94,149
Supplies	34,614	374	2,520	7,192	44,700	27,636	99	27,735	72,435	147,261
Dues & subscriptions	20,698	-	-	2,345	23,043	4,496	690	5,186	28,229	69,141
Insurance	-	-	-	-	-	14,733	-	14,733	14,733	10,298
Telephone & internet	-	-	-	-	-	12,990	-	12,990	12,990	18,579
Grant disbursements	2,000	-	-	500	2,500	-	-	-	2,500	22,850
Interest	-	-	-	-	-	4,934	-	4,934	4,934	919
Bank and c.c. fees	-	-	-	-	-	34,510	-	34,510	34,510	30,033
Depreciation & amortization	-	-	-	-	-	31,977	-	31,977	31,977	17,283
Other taxes	-	-	-	-	-	322	-	322	322	3,051
Indirect cost allocation	289,313	51,083	44,432	66,072	450,900	(477,805)	26,905	(450,900)	-	-
Totals	\$ 1,795,170	\$ 337,980	\$ 256,054	\$ 403,733	\$ 2,792,937	\$ 49,566	\$ 137,030	\$ 186,596	\$ 2,979,533	\$ 2,816,273