



**WASHINGTON, D.C.**

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**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**



## **Independent Auditors' Report**

Board of Directors  
League of American Wheelmen, Inc.  
Washington, D.C.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of League of American Wheelmen, Inc., which comprise the statement of financial position as of December 31, 2019 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 the financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' 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 auditors' 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 auditors consider internal control relevant to the League'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 League'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.

**Board of Directors  
League of American Wheelmen, Inc.**

**Report on the Financial Statements (Continued)**

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of League of American Wheelmen, Inc., as of December 31, 2019, 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.

**Report on Summarized Comparative Information**

We have previously audited The League of American Wheelmen, Inc.'s 2018 consolidated financial statements and we expressed unmodified audit opinion on those audited financial statements in our report dated May 21, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

***Emphasis of Matter***

As discussed in Note 2 to the financial statements, the League adopted Accounting Standards Update 2014-09, Revenue from Contracts with Customers, as amended, and Accounting Standards Update 2018-08, Not-for-Profit Entities – Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made, in 2019. Our opinion is not modified with respect to these matters.

**Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating schedules of financial position and activities and consolidated schedule of functional expenses on pages 17 - 18 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Bethesda, Maryland  
August 7, 2020

Certified Public Accountants

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**League of American Wheelmen, Inc.**  
**Consolidated Statement of Financial Position**  
**December 31, 2019**  
**With Comparative Totals As of December 31, 2018**

	<b>2019</b>	<b>2018</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 51,592	\$ 62,987
Accounts Receivable	29,636	48,461
Investments	435,070	378,927
Prepaid Expenses	21,263	25,032
Total Current Assets	<b>537,561</b>	515,407
<b>Property and Equipment - Net</b>	<b>1,780</b>	1,561
<b>Deposits</b>	<b>8,061</b>	9,061
<b>Total Assets</b>	<b>\$ 547,402</b>	\$ 526,029
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Expenses	\$ 100,960	110,654
Line of Credit	125,000	100,000
Deferred Revenue	34,345	42,675
Total Current Liabilities - Total Liabilities	<b>260,305</b>	253,329
<b>Net Assets</b>		
Without Donor Restrictions	<b>287,097</b>	272,700
Total Net Assets	<b>287,097</b>	272,700
<b>Total Liabilities and Net Assets</b>	<b>\$ 547,402</b>	\$ 526,029

***See Accompanying Notes to Financial Statements.***

**League of American Wheelmen, Inc.**  
**Consolidated Statement of Activities**  
**For the Year Ended December 31, 2019**  
**With Comparative Totals For the Year Ended December 31, 2018**

	<b>2019</b>			<u>2018</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	
<b>Revenues and Support</b>				
Grants and Contributions	\$ 267,687	\$ -	<b>\$ 267,687</b>	\$ 213,626
Membership Dues	514,250	-	<b>514,250</b>	514,989
Programs and Rallies	641,671	-	<b>641,671</b>	707,442
Publications and Merchandise	94,457	-	<b>94,457</b>	142,132
Investment Income (Loss)	58,707	-	<b>58,707</b>	(10,307)
Other	20,872	-	<b>20,872</b>	22,981
Net Assets Released from Restrictions	-	-	-	-
<b>Total Revenues</b>	<u>1,597,644</u>	<u>-</u>	<u><b>1,597,644</b></u>	<u>1,590,863</u>
<b>Expenses</b>				
Program Services				
Advocacy	\$ 638,042	\$ -	<b>\$ 638,042</b>	\$ 607,653
Education	221,645	-	<b>221,645</b>	220,539
Membership Services	311,815	-	<b>311,815</b>	293,846
Promotion	159,463	-	<b>159,463</b>	127,881
<b>Total Program Service Expense</b>	<u>1,330,965</u>	<u>-</u>	<u><b>1,330,965</b></u>	<u>1,249,919</u>
<b>Supporting Services</b>				
General and Administration	194,702	-	<b>194,702</b>	332,872
Fundraising	57,580	-	<b>57,580</b>	38,065
<b>Total Supporting Service Expense</b>	<u>252,282</u>	<u>-</u>	<u><b>252,282</b></u>	<u>370,937</u>
<b>Total Expenses</b>	<u>1,583,247</u>	<u>-</u>	<u><b>1,583,247</b></u>	<u>1,620,856</u>
<b>Change in Net Assets</b>	<u>14,397</u>	<u>-</u>	<u><b>14,397</b></u>	<u>(29,993)</u>
Net Assets, Beginning of Year	<u>272,700</u>	<u>-</u>	<u><b>272,700</b></u>	<u>302,693</u>
<b>Net Assets, End of Year</b>	<u>\$ 287,097</u>	<u>\$ -</u>	<u><b>\$ 287,097</b></u>	<u>\$ 272,700</u>

***See Accompanying Notes to Financial Statements.***

**League of American Wheelmen, Inc.**  
**Consolidated Statement of Functional Expense**  
**For the Year Ended December 31, 2019**  
**With Comparative Totals For the Year Ended December 31, 2018**

	2019						2018	
	Advocacy	Education	Membership Services	Promotion	General and Administrative	Fundraising	Total	Total
Personnel	\$ 346,348	\$ 78,134	\$ 145,181	\$ 100,508	\$ 111,037	\$ 23,132	<b>\$ 804,340</b>	\$ 759,091
Professional Services	39,227	43,927	15,411	249	22,524	-	<b>121,338</b>	132,512
Facility and Catering Fees	115,455	3,486	1,999	-	489	-	<b>121,429</b>	155,022
Office Expense	19,689	41,247	105,465	27,399	18,757	26,376	<b>238,933</b>	238,637
Travel	31,641	21,965	2,288	2,738	10,981	3,207	<b>72,820</b>	68,143
Occupancy	41,173	3,673	16,420	9,823	19,105	1,179	<b>91,373</b>	91,650
Insurance	6,543	584	2,609	1,561	3,036	187	<b>14,520</b>	13,436
Website / Database Expenses	19,062	26,943	14,903	12,675	-	2,958	<b>76,541</b>	120,628
Interest	2,335	208	931	557	1,083	67	<b>5,181</b>	4,921
Bank and Credit Card Fees	16,105	1,437	6,423	3,842	7,474	461	<b>35,742</b>	35,685
Depreciation and Amortization	464	41	185	111	216	13	<b>1,030</b>	1,131
<b>Total</b>	<b>\$ 638,042</b>	<b>\$ 221,645</b>	<b>\$ 311,815</b>	<b>\$ 159,463</b>	<b>\$ 194,702</b>	<b>\$ 57,580</b>	<b>\$ 1,583,247</b>	<b>\$ 1,620,856</b>

*See Accompanying Notes to Financial Statements.*

**League of American Wheelmen, Inc.**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31, 2019**  
**With Comparative Totals For the Year Ended December 31, 2018**

	<b>2019</b>	<b>2018</b>
<b>Cash Flows from Operating Activities</b>		
Increase (Decrease) in Net Assets	<b>\$ 14,397</b>	\$ (29,993)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by (Used in) Operating Activities		
(Gains) Losses on Investments	<b>(48,037)</b>	23,531
Depreciation	<b>1,030</b>	1,131
(Increase) Decrease in Assets		
Accounts Receivable	<b>18,825</b>	(37,461)
Prepaid Expenses	<b>3,769</b>	(6,303)
Deposits	<b>1,000</b>	24,300
Increase (Decrease) in Liabilities		
Accounts Payable and Accrued Expenses	<b>(9,694)</b>	44,405
Deferred Revenue	<b>(8,330)</b>	11,385
Net Cash Provided by (Used in) Operating Activities	<b>(27,040)</b>	30,995
<b>Cash Flows from Investing Activities</b>		
Purchases of Investments	<b>(58,106)</b>	(59,319)
Proceeds from Sale of Investments	<b>50,000</b>	26,851
Purchases of Property and Equipment	<b>(1,249)</b>	(2,466)
Net Cash Provided by (Used in) Investing Activities	<b>(9,355)</b>	(34,934)
<b>Cash Flows from Financing Activities</b>		
Principal Payments on Line of Credit	<b>(129,108)</b>	(132,712)
Proceeds from Line of Credit	<b>154,108</b>	58,539
Net Cash Provided by (Used in) Financing Activities	<b>25,000</b>	(74,173)
Increase (Decrease) in Cash and Cash Equivalents	<b>(11,395)</b>	(78,112)
Cash and Cash Equivalents, Beginning of Year	<b>62,987</b>	141,099
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 51,592</b>	\$ 62,987

***See Accompanying Notes to Financial Statements.***

# League of American Wheelman, Inc.

## Notes to Financial Statements December 31, 2019

### 1. ORGANIZATION

The League of American Wheelmen, Inc., doing business as the 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. LAB 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. LAB'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.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 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.

#### Basis of Presentation

The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

The financial statements of the League have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which requires the League to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the League. These net assets may be used at the discretion of management and the Board of Directors.



## League of American Wheelman, Inc.

### Notes to Financial Statements December 31, 2019

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### Basis of Presentation (Continued)

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the League or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

##### Adopted Accounting Pronouncements

During fiscal 2019, the League adopted Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The guidance provided in this ASU will assist in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and whether a contribution is conditional. As required by ASU 2018-08, the League applied the requirements on a modified prospective basis to agreements that either are not completed as of January 1, 2019 or entered into after January 1, 2019. The adoption of ASU 2018-08 did not have a material impact on the League's accounting for contributions.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09 requires an entity to recognize revenues to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity is expected to be entitled in exchange for those goods or services. On January 1, 2019, the League adopted ASU 2014-09, using the modified retrospective approach. The League applied the five-step revenue model stipulated by ASC 606 to all of its significant revenue streams in order to determine when revenue is earned and recognized. The five-step model requires the League to 1) identify contracts with customers, 2) identify performance obligations related to those contracts, 3) determine the transaction price, 4) allocate that transaction price to each performance obligation, and 5) recognize revenue when or as League satisfies a performance obligation.

The adoption of this ASU did not materially impact the timing or amount of revenue recognized by the League in the financial statements.

##### 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 contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## **League of American Wheelman, Inc.**

### **Notes to Financial Statements December 31, 2019**

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Cash Equivalents**

The League considers cash and cash equivalents to include all monies in banks and highly liquid investments.

##### **Accounts Receivable**

Accounts receivable are reported at their outstanding balances. Accounts receivable are considered past due based on management's determination. Accounts receivable are charged off based on management's case-by-case determination that they are uncollectible.

##### **Investments**

Investments are carried in the aggregate at fair value. All unrealized and realized gains and losses, interest, and dividends, including amounts earned on permanently restricted net assets, are recorded as unrestricted or temporarily restricted revenues.

The League 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.

##### **Property and Equipment**

Property and equipment are capitalized at cost if unit costs exceed \$1,000. Otherwise the items are expensed when paid, including repairs and maintenance. Depreciation is computed on the straight-line method over the estimated useful lives ranging from three to seven years.

Intangible assets consist of costs related to the design and development of the League'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.

## **League of American Wheelman, Inc.**

### **Notes to Financial Statements December 31, 2019**

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Revenue Recognition**

Grants and contributions, including unconditional promises to give, are recognized as revenues in the period received or pledged. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets, other than cash, are recorded at their estimated fair value at the date of gift. Contributed services and materials are recorded at their estimated fair value if they would otherwise be purchased if not provided by donation and provided by professionals in their field.

There were no unrecognized conditional contributions as of December 31, 2019.

Membership dues, which are nonrefundable, are treated as contributions because there is no exchange element based on the value of benefits provided. Membership dues are reported as revenue when received.

Program and rally revenues include amounts paid by or on behalf of participants and sponsors. Fees are based on published fixed rates and collected either at the time of registration, in advance of the events resulting in a deferred revenue balance, or at the time that the events take place and immediately recognized as revenue.

Sponsorships, which are generally considered nonreciprocal transactions, are recognized when the conditions associated with providing the sponsorship are met at the event. As such, all revenue is recognized upon completion of the respective event.

Publications and merchandise revenue are based on published fixed rates and recorded at the time of sale.

##### **Functional Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, occupancy and office expenses, depreciation, information technology costs, and insurance have been allocated among the programs and supporting services benefits allocated on the basis of employee time and effort.

##### **Income Taxes**

LAB is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the League may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the League and various positions related to the potential sources of unrelated business taxable income (UBIT).

## **League of American Wheelman, Inc.**

### **Notes to Financial Statements December 31, 2019**

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **Income Taxes (Continued)**

The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for at December 31, 2019.

The League's policy would be to recognize interest and penalties, if any, on tax positions related to its unrecognized tax benefits in income tax expense in the financial statements. No interest and penalties were assessed or recorded during 2019.

Generally, the League is no longer subject to U.S. federal or state examinations for returns filed before 2015.

##### **Comparative Information**

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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the League's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

##### **Recently Issued Accounting Pronouncement**

In February 2016, the FASB issued ASU 2016-02, *Leases*. The update requires a lessee to recognize a right-of-use asset and lease liability, initially measured at the present value of the lease payments, in its statement of financial position. The guidance also expands the required quantitative and qualitative lease disclosures. The guidance is effective beginning in 2021.

##### **Subsequent Events**

Management has evaluated subsequent events through August 7, 2020 the date which the financial statements were available to be issued. The accompanying financial statements recognize the effects of subsequent events that provided evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. The accompanying financial statements do not recognize the effect of subsequent events with conditions that did not exist at the statement of financial position date, but disclosures of such events, if any, are included in the accompanying notes.

#### **3. CONCENTRATION OF CREDIT RISK**

The League maintains its cash balances in banks insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank. As of December 31, 2019, the League's balances did not exceed the FDIC insured.

**League of American Wheelman, Inc.**

**Notes to Financial Statements  
December 31, 2019**

**4. INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Fair values of assets measured on a recurring basis at December 31, 2019, are as follows:

	Fair Value	Level 1 Inputs
Money Market	\$ 2,175	\$ 2,175
Mutual Funds - Equity	173,158	173,158
Mutual Funds - Fixed Income	259,737	259,737
	<u>\$ 435,070</u>	<u>\$ 435,070</u>

Financial assets measured using Level 1 inputs are based on unadjusted quoted market prices in active markets for identical assets. Financial assets measured using Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive assets. Financial assets valued using Level 3 inputs are valued using unobservable inputs to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Unobservable inputs are developed based on the best information available in the circumstances, which might include the League's own data and assumptions.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to methodologies used at December 31, 2019.

Mutual Funds: Valued using quoted market prices which are available on the active market.

Common Stocks, Corporate Bonds and U.S. Bonds: Valued at the closing price reported on the active market on which the individual securities are traded.

These valuation methodologies may produce a fair value measurement that is not indicative of net realizable value or reflective of future fair values. Furthermore, while the League believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The components of total investment return for 2019 are reflected below:

Interest and Dividends	\$ 10,670
Net Gains (Losses)	<u>48,037</u>
Investment Income	<u>\$ 58,707</u>

**League of American Wheelman, Inc.**

**Notes to Financial Statements  
December 31, 2019**

**5. PROPERTY AND EQUIPMENT**

Property and equipment as of December 31, 2019 consisted of the following:

Furniture and Office Equipment	\$ 19,954
Website	29,147
	<hr/>
	49,101
Less Accumulated Depreciation	(47,321)
	<hr/>
Property and Equipment - Net	\$ 1,780

**6. LINE OF CREDIT**

LAB has a \$200,000 line of credit at PNC Bank with a variable interest rate that was extended through August 2018. At December 31, 2019, the balance on the line of credit was \$125,000. The variable interest rate on the line of credit is 5.25%.

**7. NET ASSETS**

There were no net assets with donor restrictions as of December 31, 2019.

Net assets without donor restrictions as of December 31, 2019 were undesignated.

**8. LEASE OBLIGATIONS**

During 2018, LAB amended its lease for office space at 1612 K Street, NW to extend the term through October 2020. Initial monthly payments of \$6,642 are set to increase annually.

Future minimum payments for the year ending December 31, 2020 are \$67,750.

Rent expense for the year ended December 31, 2019 was \$91,373.

**9. RETIREMENT PLAN**

Effective January 1, 2002 LAB 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 \$18,010 for the year ended December 31, 2019.

**League of American Wheelman, Inc.**

**Notes to Financial Statements  
December 31, 2019**

**10. AVAILABILITY AND LIQUIDITY**

The following represents the League's financial assets at December 31, 2019:

Financial Assets at Year End:

Cash and Cash Equivalents	\$ 51,592
Accounts Receivable	29,636
Investments	<u>435,070</u>
Total Financial Assets	516,298

Less Amounts Not Available To Be Used Within One Year:

Net Assets With Donor Restrictions	-
Quasi Endowment Established by the Board	<u>-</u>
	<u>-</u>

Financial Assets Available to Meet General Expenditures

Over the Next Twelve Months	<u>\$ 516,298</u>
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As part of the League's liquidity management plan, cash in excess of daily requirements is transferred to income-generating accounts, when practical.

## **Supplemental Information**



**League of American Wheelmen, Inc.**  
**Consolidating Schedule of Financial Position**  
**December 31, 2019**

	<u>LAB</u>	<u>Trust</u>	<u>Eliminations</u>	<u>Total</u>
	<b>Assets</b>			
<b>Current Assets</b>				
Cash and Cash Equivalents	\$ 51,592	\$ -	\$ -	\$ 51,592
Receivables	29,636	167,000	(167,000)	29,636
Investments	-	435,070	-	435,070
Prepaid Expenses	21,263	-	-	21,263
Total Current Assets	102,491	602,070	(167,000)	537,561
<b>Property and Equipment - Net</b>	1,780	-	-	1,780
<b>Deposits</b>	8,061	-	-	8,061
<b>Total Assets</b>	<u>\$ 112,332</u>	<u>\$ 602,070</u>	<u>\$ (167,000)</u>	<u>\$ 547,402</u>
	<b>Liabilities and Net Assets</b>			
<b>Current Liabilities</b>				
Accounts Payable and Accrued Expenses	\$ 157,959	\$ -	\$ (56,999)	\$ 100,960
Line of Credit	125,000	-	-	125,000
Deferred Revenue	144,346	-	(110,001)	34,345
Total Current Liabilities - Total Liabilities	427,305	-	(167,000)	260,305
<b>Net Assets (Deficit)</b>				
Without Donor Restrictions (Deficit)	(314,973)	602,070	-	287,097
Total Net Assets	(314,973)	602,070	-	287,097
<b>Total Liabilities and Net Assets</b>	<u>\$ 112,332</u>	<u>\$ 602,070</u>	<u>\$ (167,000)</u>	<u>\$ 547,402</u>

**League of American Wheelmen, Inc.**  
**Consolidating Schedule of Activities**  
**For the Year Ended December 31, 2019**

	LAB			Trust	Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Total			
<b>Revenues and Support</b>						
Grants and Contributions	\$ 307,687	\$ -	\$ 307,687	\$ -	\$ (40,000)	\$ 267,687
Membership Dues	495,900	-	495,900	18,350	-	514,250
Programs and Rallies	641,671	-	641,671	-	-	641,671
Publications	94,457	-	94,457	-	-	94,457
Investment Income (Loss)	765	-	765	57,942	-	58,707
Other	20,872	-	20,872	-	-	20,872
Net Assets Released from Restrictions	-	-	-	-	-	-
<b>Total Revenues</b>	<u>1,561,352</u>	<u>-</u>	<u>1,561,352</u>	<u>76,292</u>	<u>(40,000)</u>	<u>1,597,644</u>
<b>Expenses</b>						
Program Services						
Advocacy	\$ 638,042	\$ -	\$ 638,042	\$ -	\$ -	\$ 638,042
Education	221,645	-	221,645	-	-	221,645
Membership Services	311,815	-	311,815	-	-	311,815
Promotion	159,463	-	159,463	40,000	(40,000)	159,463
General and Administration	194,702	-	194,702	-	-	194,702
Fundraising	57,580	-	57,580	-	-	57,580
Payments from League to Trust	-	-	-	-	-	-
<b>Total Expenses</b>	<u>1,583,247</u>	<u>-</u>	<u>1,583,247</u>	<u>40,000</u>	<u>(40,000)</u>	<u>1,583,247</u>
<b>Change in Net Assets</b>	<u>(21,895)</u>	<u>-</u>	<u>(21,895)</u>	<u>36,292</u>	<u>-</u>	<u>14,397</u>
Net Assets, Beginning of Year	(293,078)	-	(293,078)	565,778	-	272,700
<b>Net Assets, End of Year</b>	<u>\$ (314,973)</u>	<u>\$ -</u>	<u>\$ (314,973)</u>	<u>\$ 602,070</u>	<u>\$ -</u>	<u>\$ 287,097</u>