

**PEDALS FOR PROGRESS,
A NEW JERSEY NON PROFIT CORPORATION
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2008 AND 2007**

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CONNOLLY & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Report of Independent Public Accountants

To The Board of Trustees
Pedals for Progress, A New Jersey Non Profit Corporation
High Bridge, New Jersey

We have audited the accompanying statements of financial position of Pedals for Progress, A New Jersey Non Profit Corporation as of December 31, 2008 and 2007, and the related statements of activities, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audits. During 2008, Connolly & Co. merged with the predecessor accountant whose report was issued for 2007.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the organization as of December 31, 2008 and 2007, and the changes in net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.



January 23, 2009

**PEDALS FOR PROGRESS,
A NEW JERSEY NON PROFIT CORPORATION
STATEMENT OF FINANCIAL POSITION
FOR THE YEARS ENDED DECEMBER 31,**

ASSETS

	<u>2008</u>	<u>2007</u>
CURRENT ASSETS		
Cash	\$ 51,235	\$ 90,785
Inventory of Donated Personal Property	950	13,907
	52,185	104,692
 PROPERTY AND EQUIPMENT		
Net Property and Equipment	248,985	7,040
 TOTAL ASSETS	 \$ 301,170	 \$ 111,732

NET ASSETS

NET ASSETS	\$ 301,170	\$ 111,732
 TOTAL NET ASSETS	 \$ 301,170	 \$ 111,732

**PEDALS FOR PROGRESS,
A NEW JERSEY NON PROFIT CORPORATION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2008</u>	<u>2007</u>
CHANGES IN UNRESTRICTED NET ASSETS		
UNRESTRICTED SUPPORT		
Contributions	\$ 189,253	\$ 183,789
Program Revenues	66,066	77,560
Interest and Other Income	3,094	2,942
Event Net (Loss)	-	(18,031)
In Kind Personal and Real Property and Supporting Services Donations	597,053	459,163
TOTAL REVENUE AND OTHER DONATIONS	<u>855,466</u>	<u>705,423</u>
 PROGRAM SERVICE EXPENSES		
Expenses Including Shipping and In Kind Donations	607,144	653,877
Management and General	39,159	37,785
Fundraising	23,231	58,446
TOTAL EXPENSES	<u>669,534</u>	<u>750,108</u>
 CHANGE IN UNRESTRICTED NET ASSETS	<u>185,932</u>	<u>(44,685)</u>
 CHANGES IN RESTRICTED NET ASSETS		
Contributions and Interest	<u>3,506</u>	<u>18,292</u>
 NET ASSETS - JANUARY 1,	<u>111,732</u>	<u>138,125</u>
 NET ASSETS - DECEMBER 31,	<u>\$ 301,170</u>	<u>\$ 111,732</u>

See Report of Independent Public Accountants and Notes to Financial Statements

**PEDALS FOR PROGRESS,
A NEW JERSEY NON PROFIT CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2008</u>	<u>2007</u>
CASH FLOWS (USED IN) OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 189,439	\$ (26,393)
 ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Donated Land Included in Total Revenue and Other Donations	(240,000)	-
Depreciation	2,567	2,685
Inventory	12,956	9,916
	(35,038)	(13,792)
 CASH FLOWS (USED IN) INVESTING ACTIVITIES		
Additions to Property and Equipment	(4,512)	(2,041)
 NET (DECREASE) IN CASH	(39,550)	(15,833)
 CASH - JANUARY 1,	90,785	106,618
 CASH - DECEMBER 31,	\$ 51,235	\$ 90,785

See Report of Independent Public Accountants and Notes to Financial Statements

**PEDALS FOR PROGRESS,
A NEW JERSEY NON PROFIT CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2008**

	SUPPORTING SERVICES			
	Program Services	Management and General	Fundraising	Total
Salaries	\$ 105,846	\$ 4,196	\$ 13,340	\$ 123,382
Rent	19,440	1,410	750	21,600
Insurance	4,042	2,008		6,050
Payroll Taxes and Benefits	19,828	699	2,800	23,327
Telephone and Utilities	4,131	668	345	5,144
Office Supplies and Expenses	5,039	1,306	783	7,128
Depreciation		2,567		2,567
Donated Services	24,280	10,470	1,970	36,720
Professional Fees		15,447		15,447
Postage	3,761	388	2,017	6,166
Printing and Publications	7,450		1,226	8,676
Travel	14,167			14,167
Shipping and Collections	89,011			89,011
In Kind Contributions Shipped	310,149			310,149
	\$ 607,144	\$ 39,159	\$ 23,231	\$ 669,534
TOTAL SUPPORTING SERVICES	\$ 607,144	\$ 39,159	\$ 23,231	\$ 669,534

