

ProCon.org
(A NONPROFIT PUBLIC CHARITY CORPORATION)
Financial Statements
December 31, 2009 and 2008

BYEMAN & CLEARY
CERTIFIED PUBLIC ACCOUNTANTS

412 W. BROADWAY • SUITE 206 • GLENDALE, CALIFORNIA 91204-1297
TELEPHONE 818 • 247-3223 • FACSIMILE 818 • 247-9066

Board of Directors
ProCon.org
Santa Monica, California

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statements of financial position of ProCon.org (a nonprofit public charity corporation) as of December 31, 2009 and 2008, and the related statements of activities, functional expenses, and cash flows 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.

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 audits 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 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 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 ProCon.org as of December 31, 2009 and 2008 and the changes in net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles in the United States of America.



May 18, 2010

PROCON.ORG
STATEMENTS OF FINANCIAL POSITION

ASSETS

	December 31,	
	2009	2008
Current assets:		
Cash	\$ 30,557	\$ 99,443
Credit card donations receivable	622	-
Prepaid expenses	5,817	5,648
Total current assets / Total assets	\$ 36,996	\$ 105,091

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 9,378	\$ 25,595
Wages and related expenses payable	15,583	7,322
Total current liabilities / Total liabilities	24,961	32,917
Net assets:		
Unrestricted net assets	12,035	72,174
Total net assets	12,035	72,174
Total liabilities and net assets	\$ 36,996	\$ 105,091

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

PROCON.ORG
STATEMENTS OF ACTIVITIES

	Years Ended December 31,	
	2009	2008
	Unrestricted	Unrestricted
Support and revenue:		
Contributions	\$ 583,075	\$ 707,990
Contributed facilities	59,464	55,765
Contributed services	17,423	12,542
Program service revenue	50	-
Total support and revenue	660,012	776,297
Expenses:		
Program services	618,097	652,295
Supporting activities:		
Management & general	62,527	54,455
Fundraising	39,527	41,835
Total Expenses	720,151	748,585
Change in net assets	(60,139)	27,712
Net assets at beginning of year	72,174	44,462
Net assets at end of year	\$ 12,035	\$ 72,174

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

PROCON.ORG

STATEMENTS OF FUNCTIONAL EXPENSES

	Year Ended December 31, 2009				Year Ended December 31, 2008			
	Program Service	Management & General	Fund- Raising	Total Expenses	Program Service	Management & General	Fund- Raising	Total Expenses
Wages	\$ 389,599	\$ 20,572	\$ 4,143	\$ 414,314	\$ 434,263	\$ 14,248	\$ 4,440	\$ 452,951
Employee benefits	30,469	928	342	31,739	30,636	957	319	31,912
Payroll taxes	33,094	1,744	345	35,183	36,543	1,142	381	38,066
Insurance	3,426	32	10	3,468	3,416	107	36	3,559
Worker's compensation insurance	1,700	53	18	1,771	4,615	144	48	4,807
Parking	11,968	371	30	12,369	12,291	384	128	12,803
Professional fees	17,551	15,777	32,565	65,893	1,406	18,352	35,892	55,650
Contributed facilities	57,085	1,784	595	59,464	53,534	1,673	558	55,765
Contributed services	-	17,423	-	17,423	-	12,542	-	12,542
Telephone	3,882	121	40	4,043	2,135	90	33	2,258
Postage	21	34	-	55	17	402	-	419
Payroll & pension processing fees	-	3,195	-	3,195	-	3,581	-	3,581
Advertising and promotion	46,132	-	-	46,132	48,131	-	-	48,131
Meals and entertainment	120	-	-	120	267	161	-	428
Computer and web site	17,330	-	270	17,600	19,862	-	-	19,862
Office supplies	4,573	152	174	4,899	4,821	32	-	4,853
Books and research access	1,147	-	995	2,142	358	-	-	358
Taxes & licenses	-	75	-	75	-	95	-	95
Bank charges	-	266	-	266	-	545	-	545
Total expenses	\$ 618,097	\$ 62,527	\$ 39,527	\$ 720,151	\$ 652,295	\$ 54,455	\$ 41,835	\$ 748,585

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

PROCON.ORG
STATEMENTS OF CASH FLOWS

	Years Ended December 31,	
	2009	2008
Cash flows from operating activities:		
Change in net assets	\$ (60,139)	\$ 27,712
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
(Increase) decrease in:		
Prepaid expenses	(169)	(2,448)
Accounts receivable	(622)	-
Increase (decrease) in:		
Accounts payable	(16,217)	4,721
Wages and related expenses payable	8,261	(7,141)
Net cash provided (used) by operating activities	(68,886)	22,844
Net increase (decrease) in cash	(68,886)	22,844
Cash at beginning of year	99,443	76,599
Cash at end of year	\$ 30,557	\$ 99,443

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

PROCON.ORG
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. NATURE OF ORGANIZATION

ProCon.org is a nonprofit organization incorporated in California to promote education, critical thinking and informed citizenship by presenting controversial issues in a straightforward, nonpartisan primarily pro-con format.

ProCon.org is tax-exempt as a public charity under Internal Revenue Code Section 501(c)(3).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

ProCon.org uses accrual basis accounting.

Cash

Cash is cash in a bank checking account.

Public support, revenue, and reclassifications

Revenue is recognized when earned and support is recognized when cash is received, unconditional promises are made, or ownership of other assets is transferred. All contributions received were unrestricted and available for use in current operations.

Contributed services and facilities

During the years ended December 31, 2009 and 2008 contributed facilities in the value of \$59,464 and \$55,765 respectively and contributed accounting services in the value of \$17,423 and \$12,542 respectively were donated to ProCon.org.

Use of estimates

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

Classes of net assets

Unrestricted net assets include amounts available to be used at the discretion of the board of directors in ProCon.org's programs and operations. No donations were received with restrictions by donors. Therefore there are no restricted net assets at December 31, 2009.

PROCON.ORG
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

3. PENSION PLAN

Procon.org has a defined contribution plan. The required contribution to the plan is 2% of eligible employee compensation. For the years ended December 31, 2009 and 2008, total expense related to the plan was \$7,995 and \$8,858 respectively.

4. CONCENTRATIONS

ProCon.org is supported primarily by donor contributions. During 2009 approximately 83% of ProCon.org's cash support is provided by a corporation controlled by the founder of ProCon.org. All in-kind donations were received from the same corporation.