

ProCon.org
(A NONPROFIT PUBLIC CHARITY CORPORATION)
Financial Statements
December 31, 2008 and 2007

BYEMAN & CLEARY
CERTIFIED PUBLIC ACCOUNTANTS

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

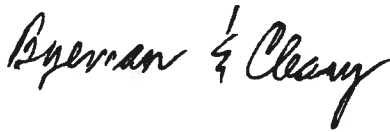
Board of Directors
ProCon.org
Santa Monica, California

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, 2008 and 2007, 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, 2008 and 2007 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.



February 9, 2009

PROCON.ORG
STATEMENTS OF FINANCIAL POSITION

ASSETS

	December 31	
	2008	2007
Current assets:		
Cash	\$ 99,443	\$ 76,599
Prepaid expenses	5,648	3,200
Total current assets / Total assets	105,091	79,799

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	25,595	20,874
Wages and related expenses payable	7,322	14,463
Total current liabilities / Total liabilities	32,917	35,337
Net assets:		
Unrestricted net assets	72,174	44,462
Total net assets	72,174	44,462
Total liabilities and net assets	\$ 105,091	\$ 79,799

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

PROCON.ORG
STATEMENTS OF ACTIVITIES

	Years Ended December 31,	
	2008	2007
	Unrestricted	Unrestricted
Support and revenue:		
Contributions	\$ 707,990	\$ 658,717
Contributed facilities	55,765	53,196
Contributed services	12,542	13,332
Total support and revenue	776,297	725,245
Expenses:		
Program services	652,295	620,836
Supporting activities:		
Management & general	54,455	42,674
Fundraising	41,835	18,541
Total Expenses	748,585	682,051
Change in net assets	27,712	43,194
Net assets at beginning of year	44,462	1,268
Net assets at end of year	\$ 72,174	\$ 44,462

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

PROCON.ORG
STATEMENTS OF FUNCTIONAL EXPENSES

	Year Ended December 31, 2008			Year Ended December 31, 2007				
	Program Service	Management & General	Fund- Raising	Total Expenses	Program Service	Management & General	Fund- Raising	Total Expenses
Wages	\$ 434,263	\$ 14,248	\$ 4,440	\$ 452,951	\$ 410,806	\$ 17,297	\$ 4,324	\$ 432,427
Employee benefits	30,636	957	319	31,912	29,436	920	307	30,663
Payroll taxes	36,543	1,142	381	38,066	33,823	1,424	356	35,603
Insurance	3,416	107	36	3,559	5,305	166	55	5,526
Worker's compensation insurance	4,615	144	48	4,807	6,132	192	64	6,388
Parking	12,291	384	128	12,803	11,429	357	119	11,905
Professional fees	1,406	18,352	35,892	55,650	-	2,845	12,318	15,163
Promotional materials	-	-	-	-	-	-	440	440
Contributed facilities	53,534	1,673	558	55,765	51,068	1,596	532	53,196
Contributed services	-	12,542	-	12,542	-	13,332	-	13,332
Telephone	2,135	90	33	2,258	2,523	78	26	2,627
Postage	17	402	-	419	40	-	-	40
Payroll & pension processing fees	-	3,581	-	3,581	-	3,874	-	3,874
Advertising and promotion	48,131	-	-	48,131	56,759	-	-	56,759
Meals and entertainment	267	161	-	428	297	-	-	297
Auto mileage	-	-	-	-	63	-	-	63
Computer and web site	19,862	-	-	19,862	9,006	-	-	9,006
Office supplies	4,821	32	-	4,853	3,933	-	-	3,933
Books and research access	358	-	-	358	216	-	-	216
Tax & licenses	-	95	-	95	-	-	-	-
Bank charges	-	545	-	545	-	593	-	593
Total expenses	\$ 652,295	\$ 54,455	\$41,835	\$ 748,585	\$ 620,836	\$ 42,674	\$18,541	\$ 682,051

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

PROCON.ORG
STATEMENTS OF CASH FLOWS

	Years Ended December 31,	
	2008	2007
Cash flows from operating activities:		
Change in net assets	\$ 27,712	\$ 43,194
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Increase) decrease in:		
Prepaid expenses	(2,448)	(480)
Increase (decrease) in:		
Accounts payable	4,721	14,167
Wages and related expenses payable	<u>(7,141)</u>	<u>2,534</u>
Net cash provided by operating activities	<u>22,844</u>	<u>59,415</u>
 Net Increase in cash	 22,844	 59,415
Cash at beginning of year	<u>76,599</u>	<u>17,184</u>
 Cash at end of year	 <u>\$ 99,443</u>	 <u>\$ 76,599</u>

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

PROCON.ORG
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

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, 2008 and 2007 contributed facilities in the value of \$55,765 and \$53,196 respectively and contributed accounting services in the value of \$12,542 and \$13,332 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, 2008.

PROCON.ORG
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

3. PENSION PLAN

ProCon.org has a defined contribution plan. The required contribution to the plan is 2% of eligible employee compensation. For the year ended December 31, 2008 and 2007, total expense related to the plan was \$8,858 and \$6,641 respectively.

4. CONCENTRATIONS

ProCon.org is supported primarily by donor contributions. During 2008 approximately 82% 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.