



Moving nations forward with recycled bikes

Annual Report 2004



Pedals for Progress
a New Jersey nonprofit corporation
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High Bridge NJ 08829
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Pedals for Progress rescues unwanted American bicycles, and puts them to productive use overseas. Pedals for Progress is a not-for-profit charity incorporated under the laws of New Jersey and registered with the Internal Revenue Service as a tax-exempt charity under section 501 (c) 3 of the federal tax code. A nine-member unpaid board of trustees oversees a small staff and a network of several hundred volunteers.

Highlights

During 2004, Pedals for Progress:

- completed its 12th year of uninterrupted production growth, increasing shipments by 4.3% over 2003 to 12,317 bicycles, 180 sewing machines, and approximately \$256,500 in bicycle parts and accessories, in 25 shipments to nine non-profit agency partners in eight developing countries, bringing its cumulative donations since 1991 to 86,143 bicycles, 471 sewing machines, and \$8.8 million in parts and accessories;
- intensified domestic collection operations in the mid-Atlantic and New England regions, sponsoring bike collections and container loading work sessions with approximately 145 community partners in 11 states and the District of Columbia;
- reduced the average cost per bike delivered by 5.9%, to \$25.39;
- partnered with the Ellsworth Correctional Facility, part of the Kansas State penitentiary system, to collect, recondition, and ship two containers of bicycles; and
- tapped a partnership with FedEx to transport over 1000 donated bicycles from PFP collections in Massachusetts, North Carolina, Utah and Vermont to PFP's New Jersey shipping site.

Overseas Partners

Pedals for Progress increased shipments by 4.3% from 2003 to 2004, from 11,808 to 12,317 bicycles. This was the 12th straight year of production growth. This year's performance followed on a 2.1% increase in shipments from 2002 to 2003.

During the year, PFP focused on a smaller number of reliable partners able to pay full shipping costs. Shipments in 2004 went to 9 groups in 8 countries, compared to 15 partners in 12 countries during the previous year. More than 85 percent of bicycles shipped went to Central and South American partners, 11.1% to African (Ghana and Uganda) partners, and 7.5% to the Caribbean (Barbados).

The most critical factor in creating a sustainable self financing partnership is shipping costs. We currently consider seven partnerships as 'sustainable,' i.e., recipient organizations capable of paying for successive

shipments over three or more consecutive years. Experience has proven that when the shipping cost are below \$10 per bike, with good management, the shipment costs are low enough to sustain a self financing partnership. Hence, without charitable donations, grants or other funding Pedals For Progress is limited to working primarily in Central America, Eastern Europe and the Caribbean. In 2004 there was a reduction in sustainable partnerships from eight to seven. Still, we are hopeful that other partner organizations, including several that did not receive bikes during the current year, will pay all or most expenses for new shipments during the coming year.

The seven sustainable partnerships are:

Asociación Panameña de Industrias de Buena Voluntad (Goodwill Panama), Panama City, Panama, a vocational education and rehabilitation program benefiting the physically and mentally disabled in Panama;

Centro Salvadoreño de Tecnología Apropiada (CESTA), San Salvador, El Salvador, an environmentally sound transportation, bike mechanic training/small enterprise, youth recreation, and municipal solid waste management;

EcoBici, Rivas, Nicaragua, a new entity being directed by long-term EcoTec manager and Pedals for Progress advisor, Wilfredo Santana, Eco Bici markets bicycles to low-income users in the many small towns of the southern Pacific coast region, using surplus funds to fund small-scale rural community development projects;

Ecología y Tecnología (EcoTec), Jinotepe, Nicaragua, is a small business promoting environmentally-sound transportation in urban and rural areas of the coffee-growing highlands;

Fundación Integral de Desarrollo Sostenible y Medio Oriente (FIDESMA), San Andrés Itzapa, Chimaltenango, Guatemala, is distributing bicycles locally and regionally for individual economic enhancement and using the income generated from its operations to support agricultural extension and other community services in this highland indigenous community;

Pinelands Creative Workshop, Bridgetown, Barbados, a youth business and performing arts program in the island's only public housing community that markets bicycles to the community. All profits generated by the workshop are used to fund social service programs benefiting youth and seniors, and;

Edikanfo Progressive Foundation, Kumasi, Ghana, is a rural development program in the northwestern region of the country, which provide transportation to teachers, students, farmers, and small entrepreneurs.

El Salvador's CESTA took a record six shipments totaling 3,069 bicycles, or approximately a quarter of PfP's shipments for the year 2004. CESTA, an affiliate of Friends of the Earth International, promotes a critical mass of bicycles on the country's roads, using PfP shipments and sales proceeds to underwrite a bike mechanic training program, an in-kind credit program to establish small bicycle sales and service shops, and a share of its environmental advocacy work. CESTA has received a total 13,795 bicycles since 1995, or 15% of PfP's total of bikes shipped, making it PfP's leading single partner.

Other recipients of shipments during 2004 included, in descending order, Goodwill Panama (2,091 bicycles), EcoBici (2,041 bicycles), EcoTec (2,007 bicycles), the Pinelands Creative Workshop (887 bicycles), and the Edikanfo Progressive Foundation (882), FIDESMA (517), Biikira Health Center (436), Colombia's Horizons of Liberty Foundation (387) .

The 'profits' generated by our partners finance a breadth of community development activities. In the case of EcoBici and EcoTec, surplus funds finance small-scale rural community development projects selected and implemented by representative community organizations. These include construction of health clinics, community potable water systems, and schools, and the planting of community wood lots. Goodwill Panama uses the funds it generates to pay the salaries of the employees, all of whom have disabilities of one type or another, and any surplus pays training and core administrative expenses. Pinelands uses its surplus funds to pay for community services for youth sports and recreation programs, and seniors services such as Meals on Wheels.

During 2004, following closely on a December 2003 initial shipment, PfP shipped two containers to the Edikanfo Progressive Foundation (EPF). EPF, in cooperation with government institutions and international agencies such as World Vision, promotes community development, education, and health care in the impoverished Northern Region of Ghana. With PfP-supplied bikes, EPF is providing teachers, community development personnel, and other low-income workers in outlying rural areas of Savulugu-Nanton

District with affordable transportation. Until now, most residents walked many miles along trails in the performance of their work and daily chores. EPF has focused on providing bikes to teachers, who in addition to their primary duties of instruction, serve as adult health educators, environmental advisors and civic leaders in their assigned communities. However, the shipping cost per bike is not sustainable. It costs \$15 per bike to ship the bikes to Ghana, which exceeds the price the bikes can generate to pay the shipping costs. These African programs, while of critical importance to the recipients, are not sustainable without regular supplementary financial assistance.

PfP initiated one new partnership in late 2004, with the Biikira Health Center, Masaka, South Buganda, Uganda, shipping 436 bicycles, predominantly women's style bikes. BHC provides primary health care services and health education through an extensive network of volunteer health workers, most of who are female. The Uganda Electronics Co. funded the ocean freight, and covered the costs of trucking the bikes from the port of Mombassa, Kenya to BHC's site 1,000 miles inland. Pedals for Progress staff has applied for a grant to fund this program during 2005. However, due to the added cost of trucking the bicycles across Kenya the transportation cost per bike is over \$21 per bike - well beyond our \$10 per bike break even point. Although this project is urgently needed by the people of Masaka, due to the high transportation costs it will never be self-sustaining. Pedals for Progress has accepted this program knowing that our standard financing program will never be sufficient. We have hopes that we will be able to find long-term financial sponsorship for this program, and our other programs in Africa.

Colombia's Horizons of Liberty Foundation (FHL/Fundación Horizontes de Libertad) requested and received its third shipment of bicycles during 2004. FHL, headed by a former penitentiary inmate, operates an award-winning work release program for local prison inmates and a community environmental education campaign. PfP brokered a shipment to FHL from the Ellsworth Correctional Facility (ECF), a Kansas state prison, establishing an innovative prison-to-prison skills training and job development outreach program. As in previous instances, FHL was able to pay only a small share of shipping expenses, and PfP had to rely on grants from the International Monetary Fund's Civic Program, the Cottonwood Foundation, Friends of Colombia and PfP operational funding to cover remaining costs.



Disappointments during 2004 include the inability of the Sewa Lanka Foundation (SLF), Colombo, Sri Lanka, to get Pfp's initial shipment of 440 bicycles out of Sri Lankanian customs. SLF is the country's largest indigenous non-governmental economic and social service agency, and occupies a key role in ongoing efforts to address the devastating impact of the recent Indian Ocean tsunami as well as to reconcile the country's two major ethnic groups and end a long-standing civil war. The bicycles were to support fishing, commerce, agriculture, and other micro-business activities, as well as facilitate local travel by SLF field personnel.

Another disappointment was the inability of Baisekele Kenya, a group of Nairobi-based development professionals, to capitalize an initial shipment of bicycles received in late 2003. Pfp donated all international shipping expenses. Baisekele Kenya reconditioned and sold all the bicycles received, targeting low-income urban teachers, office and health workers, students and laborers, at prices well below the average \$55 price for new Indian-manufactured models. However, additional costs resulting from delays in clearing Customs left insufficient funds to pay for an additional shipment, and Pfp does not have the financial capacity to subsidize a second shipment. It is imperative that Pfp recognizes its limitations, and the limitations of our business model. At a cost of \$18.50 per bike shipping costs, this program can not succeed without supplemental funding. Unfortunately Pfp was not successful in obtaining a grant to supplement this program. Baisekele Kenya has recently found a Danish Foundation which is possibly interested in paying for the shipping costs of the second container during 2005.

Domestic Operations

With modifications, Pfp intensified domestic bicycle collections in the mid-Atlantic and southern New England regions during 2004. We focused on this region of the USA because we have learned that, controlling costs and ensuring quality could be best achieved conducting bicycle collections in densely populated affluent populations located near our sea-port shipping sites within easy reach of our suppliers/donors of traditional parts and accessories. The supply of bikes in this area remains unlimited and by shrinking our footprint Pfp has been able to reduce its costs.

Collection and container-loading collaborations grew slightly, increasing from 136 groups in 2003 to 145 groups in 2004. Collection and shipping activities again concentrated in the northern New Jersey and Virginia area. During 2005 we will further shrink our footprint and actively attend collections in the suburban New York City and Philadelphia markets. Those groups holding collections further away will be responsible for the cost and logistics of delivering the bikes to the Pedals for Progress New Jersey warehouse.

Additionally in 2004 Pfp began sourcing bicycles from the Ellsworth Correctional Facility (ECF), Ellsworth Kansas. ECF inmates have reconditioned a growing number of bikes over the last few years, which were distributed solely within Kansas. Pfp has partnered with Ellsworth inmates, with the assistance of the local Jaycee chapter, to recondition and ship bikes directly to Pfp partners overseas. Such an arrangement benefits both the prison which obtains an outlet for surplus production of this inmate skills training and rehabilitation activity and Pfp, which obtains a further source of usable bikes. During 2004, Ellsworth shipped two containers holding over 800 bicycles, to the Edikanfo Progressive Foundation and the Horizons of Liberty Foundation. Of particular note is Ellsworth's contribution to the latter program, where the Colombian group works with work release inmates and recently released inmates of the national penitentiary system.

Pfp again made use of its relationship with FedEx, which permitted Pfp to receive bicycles collected as far away from its New Jersey warehouse as Park City UT and Burlington VT. The Green Mountain Returned Peace Corps volunteers of Vermont collected and processed 426 bikes during 2005.

Pedals for Progress depends on the efforts of volun-

teers several hundred of them to publicize and staff collections, compact the bicycles coming in, bring the bikes back to the trailers, and eventually load them into containers bound for our partner agencies overseas.

Pedals for Progress would like to thank in particular Andrew & Greg Sucharew who were instrumental in the warehousing and loading of the New Jersey containers.

Once again we also need to thank our most productive volunteer, Ernie Simpson of Gettysburg Pennsylvania. In his mid '80s rather than slowing the flow of bikes out of Gettysburg, Ernie once again increased his production collecting and processing for shipping over 1200 bicycles. And if that were not enough, Ernie also collected and repaired over half of the sewing machines shipped during 2005.

Additionally, we wish to thank and acknowledge the many years of service from our warehouse manager, Drew Decker. With trepidation but great pride we would like to announce that Drew has joined the United States Marine Corps, and has just passed basic training in South Carolina.

Finances

PfP strengthened its financial situation in 2004, generating a net surplus of \$17,972. Overall expenses actually declined by 2.8%, from \$318,441 to \$309,209.12. Most significant was a 13.2% savings in shipping costs from 2003, in spite of increased fuel costs. Most of these cost savings are the result of concentrating our bike shipments to Central America.

2004 operating income increased 5.3%, from \$323,761 in 2003 to \$340,827.29 in 2004. Significantly donations accompanying bike donations increased 6.1%. A strong 46.4% increase in individual donations (to \$55,749) offset a continuing and dramatic fall by half (-47.8%) in corporate donations, to \$24,125.

It did not go unnoticed by the Board of Trustees that our greatest deficiency during the year was lack of anyone writing foundation grants. This issue was discussed at a board meeting in December 2004. The board made provisions within the 2005 budget to retaining the services of a professional grant writer. After an exhaustive search of potential candidates, a professional grant writer has been added to our staff part-time.

While reducing expenditures by 2.8%, PfP actually increased shipping totals by 4.3%, reducing the average cost of collecting and delivering each bicycle by

5.9%, from \$26.97 to \$25.37. Furthermore, this average cost ignores accompanying shipments of bicycle parts & accessories, sewing machines, and baseball and soccer equipment, which are effectively delivered for free. Still, the reduction in price per bike reflects not cost savings as much as reduced funding in 2004 due to the fact that no one was writing foundation grants.

Publicity

PfP continued to generate strong local publicity, from North Carolina to Vermont. Front-page Metro section articles on Pedals for Progress and selected local collections appeared in the *Durham (NC) Herald-Sun*, the *Washington Post*, the *Hockessin (DE) Community News*, and the *Burlington (VT) Free Press*. Informative articles about PfP and our mission, rather than just collection information, appeared in the *New York Times* and *For Enterprise*, a Rolex Corporation publication.

Program Challenges

Notwithstanding continuing modest advances in production and operational efficiency, Pedals for Progress faced substantial challenges in 2004, with implications in years to come. Above all, financial constraints have held the organization back. The absence of sufficient grant income prevented our organization from continuing shipments to our higher costs programs such as Basilica Kenya.

The capital campaign to build a New Jersey shipping facility has continued to slowly grow. Our current shipping facility are a group of inadequate, unheated storage trailers situated on rented property. The purchase of our own warehouse facility will decrease our domestic costs by elimination the cost of paying rent while increasing our revenues by having a drop-off point where people can bring their bicycles year round. Our newly hired professional grant writer's first assignment has been to search and apply for funding for our capital campaign. For a small organization the capital campaign is a huge undertaking but this is the critical factor to our long term existence.

2004 also saw the concentration of PfP shipments to fewer partner programs, as initiatives outside the Central American region for the most part failed to become self-financing. Several overseas partners were unable to cover the costs of shipments following the delivery of an initial subsidized container. Some, such as in Colombia, Sri Lanka, and Kenya, faced Customs obstacles outside their control, which drove up costs or

limited the subsequent ability to sell bikes. Others were simply unable to manage PFP-supplied resources efficiently, or found they could not sell the container of bikes for enough money to pay for subsequent shipments. PFP is working to develop a strategy to successfully develop partnerships in other regions, and thereby diversify its relationships and reduce the risk that events in one country or region might negatively affect its operation. Since it is not possible to lower the transportation costs it is imperative that sponsorships are developed to supplement African and high-cost partnerships. Partner programs in Central America which have a landed cost per bike of under \$10 are successful financially and require no further subsidy to continue shipments. African partners cannot succeed financially without continued financial support because of the high international shipping costs over \$15 per bike and sometimes as high as \$21.

Goals for 2005

During the coming year, Pedals for Progress will consolidate operations in the northern New Jersey/eastern Pennsylvania area, centered on its main storage and shipping facility in Glen Gardner NJ. The Virginia area shipping facility was never financially self-sufficient and had always been a financial drain on the New Jersey operation. Pedals the Progress will no longer attend collections in the greater Virginia area since we have closed the Virginia warehouse. We will for the first time in 12 years see a marked decrease in the number of bicycles shipped in the upcoming year. The administration has purposely once again shrunk our footprint in order to become more cost-effective.

During 2004 we had an increase in the number of collections held but a decrease in the number of bicycles collected per collection. This was especially true in our former Virginia area collection grid. It is much more cost-effective to have a well managed well-run collection collecting 100 bicycles than it is to run the three collections on the same day collecting 35 bicycles each. In 2005 we will continue to work to increase our economies of scale while continuing to provide our overseas partners with the number of bicycles they need.

It is expected during 2005 that PFP will ship approximately 8000 bicycles and 120 sewing machines. Our active collection sites where we send our personnel will be limited to the greater suburban markets of New York and Philadelphia. Bicycles collected out of that region will be delivered to the New Jersey ware-

house either by FedEx or as is quite often the case in New England, at the end of the collection by the collection sponsors. It is expected that the Virginia-Maryland area will see a sharp decrease in the number of collections, however, a few of our long term collection sponsors have already agreed to continue to hold collections and deliver the bikes to us. The fundamental philosophical statement is that it is better to reduce the number of collections and continue our mission, then hold many collections and go bankrupt.

During 2005 Pedals For Progress will continue to have sufficient supplies of containers of bicycles, parts and accessories to supply all of our core lucrative self sustaining partnerships and with a small margin the capacity to perhaps open one new program. The consolidation of Pedals For Progress will allow PFP to manage our domestic operation more effectively. As an organization we need to complete the first capital campaign and have a permanent storage facility before we attempt expansion into other areas.

For Further Information

Detailed, regularly updated info about Pedals for Progress collections and sponsors in the United States, and partner projects overseas, is available at www.p4p.org.

Request our newsletter In-Gear, a general brochure, or information on how to;

- (1) collect bikes or,
- (2) request a donation of a container of bicycles, parts and accessories, by contacting:

Pedals for Progress
Box 312
High Bridge NJ 08829-0312
tel. 908.638.4811
fax 908.638.4860
e-mail: p4padmin@earthlink.net



ANNEX 1

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**Keith Oberg, Vice-President and Virginia Area
Coordinator**

Robert Zeh, Controller

Anne Marie Rolls, office manager

Greg Sucharew, warehouseman

Brendan McDermott, truck driver

ANNEX 2

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\$5,000 +

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\$2,500 +

Jane Divinski & John Alexander, First Presbyterian Church of New Vernon-NJ, Global Impact Combined Federal Campaign, International Monetary Fund.

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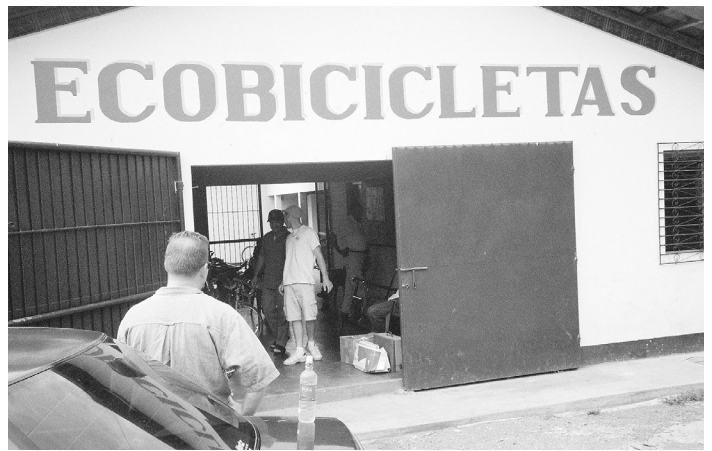
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\$100 +

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Collection and Loading Sponsors

New Jersey (44)

Blair Academy Community Service, Blairstown; Branchburg Rotary Club; Brian Lauer's Eagle Scout Service Project; Brookdale Baptist Church; Cherry Hill High School Interact Club; Colts Neck Reformed Church; Cranford Rotary Club; Cresskill Demarest Rotary Club; Deborah Circle of United Methodist Women of Epworth UMC; Diehl Mollica's Eagle Scout Service Project; Fair Lawn P.M. Rotary Club; Faith Lutheran Church, New Providence; First Presbyterian Church of Springfield; Flemington Presbyterian Church; James Devine's Eagle Scout Service Project; James Tresner's Eagle Scout Service Project; Jon Smith's Eagle Scout Service Project; JPMorganChase's 10th Annual Global Days of Service along with Girl Scout Troop #754, Clinton; Kenilworth Rotary & David Brearly High School Interact Club; Madison High School Project Aware; Medford-Vincentown Rotary Club; Metuchen Rotary Club; Mondshein Family/Flemington Jewish Community Center; Morris County Municipal Utilities Authority; Morristown High School Interact Club; Mountainside Rotary Club; Mt. Laurel Rotary Club; New Jersey Natural Gas Company, Wall; New Vernon Presbyterian Church & Harding Twp. w/ Boy Scout Troop #43; Noah Silow-Carroll & Congregation Beth Shalom; Pennington Presbyterian Church; Point Pleasant Borough High School; Point View Shopping Center & Wayne High School Smile Club; Presbyterian Church of Chatham; Raritan Valley Community College Student Body; Ridgewood Rotary Club; Rotary Club of Montclair-Verona; St. John the Evangelist Church, Lambertville; St. Mary's Church and High School w/ South Amboy Rotary Club; St. Stephens Church, Millburn; Tenafly Rotary Club; The Catholic Community of St. Charles Borromeo; Vineland Rotary Club; Westfield Rotary Club.

New England (13)

Andover's Returned Peace Corps Volunteers, Andover MA; Champlain Solid Waste District (VT); Essex Rotary Club (VT); Green Mountain Returned Peace Corps Volunteers (VT); Fairfield (CT) Country Day School; First Milford (MA)

Congregational Church Youth Group; GE Consumer & Industrial Systems Elfun Volunteers, Plainville CT; Jackie Johnson and Holcomb Farms, Granby CT; Local Motion; Nick Berner's Eagle Scout Service Project; Spencer Shaw's Eagle Scout Service Project along with Immaculate Conception Church; Temple B'nai Abraham; World in Watertown and the Boys & Girls Club of Watertown (MA).

New York (7)

Amy Slavin, Asbury United Methodist Church, Croton-on-Hudson; Freeport United Methodist Church Men's Club, George Abikarams' Eagle Scout Service Project, Huguenot Memorial Church, JPMorganChase's 10th Annual Global Days of Service w/Branch 534, New Rochelle Rotary Club.

Pennsylvania (8)

Church of the Holy Apostles; First Presbyterian Church of York's Mission Committee; Indiana Mid-day Rotary Club; Newtown Rotary Club; Stroudsburg Rotary Club; St. John United Church of Christ; Swarthmore College Rotary Club; West Grove Avondale Rotary Club.

Delaware (3)

Brandywine 100 Rotary Club, Wilmington; Pat Jackson and Friends, in conjunction with Bike Line (Newark); Christina Fierro and friends, Wilmington.

Utah (1)

Park City Rotary Club and Sunrise Rotary Club.

Maryland (28)

Ashton United Methodist Church; Beth Am Synagogue, Baltimore; Beth Sholom Congregation Community Center, Frederick; Caroline Davis's Poolesville High School Global Ecology Program senior project, Poolesville & Damascus; Christ Episcopal Church, Columbia; Cumberland Rotary Club; Hudson Trail Outfitters, Gaithersburg; Hudson Trail Outfitters, Rockville; Hudson Trail Outfitters, Towson; Landon School, Bethesda; Linden Heights United Methodist Church, Parkville; Linden Linthicum United Methodist Church, Clarksville; Matt Molek's National Honor Society senior project, at James Hubert Blake High School, Silver Spring; Montgomery County Division of Solid Waste Services; Olney Rotary Club/Sherwood High School Interact Club; Our Lady of Mercy Catholic Church, Potomac; Potomac Rotary/T.S. Wootton High School Interact Club, Rockville; Recreational Equipment Incorporated (REI), College Park; Recreational Equipment Incorporated (REI), Timonium; St. John the Evangelist Catholic Congregation/St. John's United Methodist-Presbyterian Church, Columbia; St. Paul's Catholic Community/Montgomery United Methodist Church, Damascus; Temple Emanuel, Kensington; Temple Shalom, Chevy Chase; Thornton Friends School, Silver Spring; Troop #1033 Eagle Community Service Project, Beltsville; Wesley Freedom United Methodist Church, Sykesville; Westminster Rotary Club; Westmoreland Congregational Church, Bethesda.

Washington DC (5)

Edmund Burke School; Hudson Trail Outfitters (Tenleytown); Community Relations Departments of the World Bank, International Monetary Fund, and Inter-American



Development Bank., Sidwell Friends School; Temple Sinai.

Virginia (31)

Adat Reyim Synagogue, Springfield; Arlington Red Cross Youth Volunteers; Bull Run Unitarian Universalist Church, Manassas; Carlyle Towers Condominium, Alexandria; Christ the Redeemer Catholic Church, Sterling; Church of the Nativity, Burke; Fairfax County Recycling Office/Herndon High School Students Against Global Abuse; City of Falls Church Recycling Office; Good Shepherd Catholic Church, Mt. Vernon; Great Falls Ecumenical Council; Herndon Friends Meeting; Hudson Trail Outfitters, Arlington; Hudson Trail Outfitters, Fairfax; Langley School, McLean; Little River United Church of Christ, Annandale; Potomac School, McLean; Recreational Equipment Incorporated (REI), Baileys Crossroads; Recreational Equipment Inc., Fairfax; St. Andrew the Apostle Catholic Church/Saints Andrew & Clare #10947 Knights of Columbus, Clifton; St. John the Evangelist Catholic Church, Warrenton; St. John's Episcopal Church, Chevy Chase; St. Mary's Catholic Church/Accotink Unitarian Church/Burke Presbyterian Church, Fairfax; St. Peters'-in-the-Woods Episcopal Church, Fairfax; Temple B'nai Shalom, Fairfax Station; Trinity United Methodist Church, Alexandria; Arlingtonians for a Clean Environment/Troop #143 Eagle Scout Project, Arlington; Troop #822 Eagle Community Service Project, McLean; Troop #857 Eagle Community Service Project, Woodbridge; Unitarian-Universalist Church of Arlington; Vienna Jaycees/Bikes of Vienna; West Springfield Rotary Club/Washington Irving Middle School.

North Carolina (5)

Holy Trinity Evangelical Lutheran Church, Raleigh; North Wake Baptist Church, Wake Forest; Recreational Equipment Incorporated (REI), Cary; St. Paul's Lutheran Church, Durham; Grace Covenant Presbyterian Church, Asheville.



Annex 3
2004 Pedals for Progress
Financial Report

Audit copy available on request

Profit and Loss as of December 31, 2004

	Jan - Dec 04
Ordinary Income/Expense	
Income	
Antique Bikes	773.00
Contributions - Cash w/Bikes	123,072.99
Contributions - Civic Groups	8,992.64
Contributions - Corporations	24,125.00
Contributions - Individuals	58,146.55
Contributions - Religious Org.	9,721.00
Contributions - Sewing Machines	70.00
Donated Services	25,120.00
In Kind Contributions Received	635,606.65
Revolving Funds	114,899.80
T-Shirt Sales	116.50
Total Income	1,000,644.13
Expense	
Advertising	1,162.50
Automobile Expense	
Mileage	700.24
Total Automobile Expense	700.24
Bank Service Charges	479.46
Collection Expense	25,284.80
Computer Equipment	0.00
Credit Card Fees	232.68
Depreciation Expense	4,484.00
Finance Charges	191.84
In Kind Contributions Shipped	460,588.65
Insurance	
Blanket Accident	3,000.00
Business Owners	505.00
Commercial Vehicle	1,817.00
D&O Liability	1,223.00
Life Insurance	620.00
Worker's Comp	1,361.00
Total Insurance	8,526.00
Licenses and Permits	
State Fees	607.00
Licenses and Permits - Other	733.50
Total Licenses and Permits	1,340.50
Office Supplies	2,250.45
Parts & Tools	0.00
Payroll Expenses	
Labor Assessment	46.66
Office Salaries	19,555.17
Officers' Salaries	90,984.43
Outside Services	599.50
Payroll Taxes	10,166.21
Retirement Expense	15,225.58
Total Payroll Expenses	136,577.55
Petty Cash	
Petty Cash - Annemarie	0.00
Total Petty Cash	0.00
Postage and Delivery	5,363.36
Printing and Reproduction	10,201.70
Professional Fees	
Accounting	6,792.50
Legal Fees	335.00
Website Fees	5,398.22
Total Professional Fees	12,525.72
Realized Loss	286.67
Rent	13,800.00
Services Donated	25,120.00
Shipping & Packing	79,236.69

Profit and Loss (continued)

	Jan - Dec 04
Staff Development	0.00
T-Shirt Purchase	82.50
Telephone	
Internet Service	313.40
Telephone - Other	3,701.38
Total Telephone	4,014.78
Travel	
Entertainment	183.06
Travel - Other	6,349.66
Total Travel	6,532.72
Utilities	418.96
Total Expense	799,401.77
Net Ordinary Income	201,242.36
Other Income/Expense	
Other Income	
Interest Income	909.81
Other Income	0.00
Total Other Income	909.81
Net Other Income	909.81
Net Income	202,152.17

Balance Sheet as of December 31, 2004

	Dec 31, 04
ASSETS	
Current Assets	
Checking/Savings	
Morgan Stanley Acct	9,127.67
PFP Capital Campaign Acct #1	68,086.04
Unity Bank - 08 Acct	1,041.60
Unity Bank - 24 Acct	32,849.15
Total Checking/Savings	111,104.46
Other Current Assets	
Securities On Hand	238.56
Total Other Current Assets	238.56
Total Current Assets	111,343.02
Fixed Assets	
Accum. Dep - Equipment	-33,152.49
Equipment	41,299.36
Total Fixed Assets	8,146.87
Other Assets	
Inventory	175,018.00
Total Other Assets	175,018.00
TOTAL ASSETS	294,507.89
LIABILITIES & EQUITY	
Equity	
Retained Earnings	92,355.72
Net Income	202,152.17
Total Equity	294,507.89
TOTAL LIABILITIES & EQUITY	294,507.89



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