As I think back to the accomplishments of this past year, three specific improvements stand out in my mind that signify this organization’s commitment to growth and continued advancement.

The first of these accomplishments was the initiation of two new major outreach programs: Urban Ventures at the Colin Powell Youth Center in South Minneapolis, and the Learning for Leadership Charter School in Northeast Minneapolis. As you review the outcomes section of this report, I hope you will be pleased with the kids “progress reports,” which are reflective of the measurement work we have recently completed with Search Institute.

Secondly, we championed our new Nutrition @ Kidspeed initiative, which allowed us to deliver nutrition education and healthy snacks and drinks to our kids for 21 Saturdays throughout our winter Kidspeed program. We plan to continue to actively address the issue of childhood obesity; we already have a fitness measurement station in the plans for our 2008-2009 winter Kidspeed program.

A third success of 2007 that I am excited to report on was the addition of a wonderful summer Kidspeed outreach program in North Minneapolis. The eight multicultural teens that we hired and trained to direct the program did an amazing job mentoring the almost 100 kids we had for six weeks at North Commons Park. This program has expanded to three Northside parks in 2008.

We can all be very proud of the enhancements made to the InnerCity Program in 2007. It has truly been an amazing year for us. But you don’t have to take my word for it. Take a look at the visuals in this report and see for yourself the good we are doing for kids.

On behalf of the InnerCity Tennis Board of Directors and Staff, I thank you all for being a vital part of this organization and I urge you all to continue to support this amazing youth program. Continue to track all the new things we are doing in 2008 – because we are moving fast!

**SKIP GAGE – Board Chair**
Ten years ago the ICT Saturday Program was started with a handful of eager kids assembled at the Reed Sweatt Family Tennis Center ready for an afternoon of tennis. Together with our dearly departed founder, Dr. Lachlan Reed, they huddled around a collection of bright and colorful foam objects, PVC pipes and balls of all sizes they quickly realized this wasn’t tennis as usual. In fact, it wasn’t tennis at all. It was the beginning of a new concept of teaching character development through tennis. Today we call it KidSpeed.

From the very start, Roger Boyer, ICT’s Executive Director and KidSpeed architect, knew that this is how he, his committed Coach/Mentor/Tutors (CMTs), and the program could make an impact on the children and families of Minneapolis. By communicating with kids on their level, at their speed and teaching them without them ever knowing they were being taught they would take away more than the fundamentals of a strong backhand. They would begin to discover their own personal strengths and qualities.

Ten years later, KidSpeed and its methodology are the driving force behind everything that we do. It is at the core of our outreach program that serves thousands of our most at risk children through youth and community centers across the city. It is the backdrop for our summer program and it remains the Minneapolis Parks and Recreation Boards largest source of free programming. Nick Bollettieri has called it “the single best tennis program in the world.” It has touched the lives of tens of thousands of children and their families.

ICT is quite proud of Roger, his vision and handmade stations, our kids and their accomplishments. It appreciates the CMTs, individuals, corporations and foundations that have shared this vision and passion. As ICT looks towards the next ten years, KidSpeed promises to be anything but the usual. Just like the children it serves, it will be unique, fun and full of potential.

ERIC McNULTY —President
At InnerCity Tennis, we want to make a lasting impact in the lives of kids. One statistic we find concerning is the significant increase in childhood obesity rates - more than double over the past 20 years. This is particularly troubling as we know that inactive kids are likely to turn into inactive adults. This increases the likelihood of serious health problems including cardiovascular disease, diabetes and psychological and self-esteem issues.

Countless scientific and medical studies have shown that a combination of regular physical activity and healthy eating are critical to maintaining a healthy body weight throughout life. The great news is that InnerCity Tennis is well positioned to make a lifetime difference for kids.

The core of our high energy programming is built around activity and participation. “Our goal is to get kids moving and keep them moving,” says Roger Boyer, Executive Director. “We’re showing them how much fun they can have being active and know that it has an impact beyond our time with them each week.”

At the same time, we are integrating nutritious foods into the snacks we provide. We hand out hundreds of healthy food choices each week. Apples, oranges and bananas are rotated to introduce kids to a variety of fruits along with other wholesome choices like granola bars. But our efforts do not stop there. We are integrating visual images of healthy foods into some of the activity stations kids use every week to further encourage healthy choices. For the older kids these messages are reinforced each week with a spirited “pep talk” about the benefits of good food choices.

We know that InnerCity Tennis cannot singlehandedly turn the tide of child obesity. But feedback from parents, coaches and kids confirms that we are making an impact. Kids love the active physical environment we create. And just as importantly, they eagerly accept the food choices we provide. Combined together our work in supporting healthy kids is something for which we are very proud.

We gave away over 10,000 healthy snacks to the kids in our programs.
Measuring the impact of InnerCity Tennis (Kidspeed) programming remains a priority. This past year, we piloted expanded measurement activities that were previously developed in collaboration with the Search Institute. The results remain encouraging; we are seeing a positive change in all the areas that we are measuring! This improvement is being reported by school teachers who directly see the impact beyond the time we spend with the kids each week.

We are working to fully incorporate all seven of our Learnings for Leadership Values into our metrics. The pilot metrics from this year yielded results from five of our current seven character assets (Perseverance, Integrity, Enthusiasm, Respect & Teamwork). One new measurable asset emerged out of our pilot study - Confidence.

Check out the results from three of our program locations: Fraser Head Start, the Colin Powell Learning Lab and the Learning for Leadership Charter School.
“As my son began to master the basic station components, his initial timidity turned into excitement. I saw a steady progression in his physical coordination as well as his enthusiasm for the program each week.”

ABDUL IDI
Parent of a Child in the Kidspeed Saturday Program

“I enjoy playing a role in the amazing changes we are making in young childrens’ attitudes. We are subtly building kids’ self-confidence - showing them that they can do anything they put their minds to!”

NANCY AKPAN
ICT Program Delivery Specialist

“This year Kidspeed came to our center. Our preschool and elementary kids just loved it! The volunteers cheered the kids on giving them the encouragement to really excel. Kids need to be winners!”

JILL OSBORN
President, Urban Ventures

“Every year the dual benefits of ICT’s intergenerational relationships become more obvious to everyone close to the program. Kids and seniors are clearly happier and healthier together.”

ROGER BOYER
ICT Executive Director
### 2007 Financials

Operating 1/1/07 to 12/31/07

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income (Support and Revenue)</td>
<td>$546,056</td>
<td>$474,535</td>
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<tr>
<td>Expenses</td>
<td>522,228</td>
<td>452,741</td>
</tr>
<tr>
<td>Income Less Expenses</td>
<td>23,828</td>
<td>21,794</td>
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<tr>
<td>In Kind Coach/Mentor/Tutor Value</td>
<td>172,653</td>
<td>130,416</td>
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<tr>
<td>Value delivered to the community</td>
<td>556,945</td>
<td>444,977</td>
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### Consolidated Balance Sheet

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<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
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<tbody>
<tr>
<td>Current Assets</td>
<td>358,204</td>
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<td>Property and Equipment</td>
<td>701,363</td>
<td>710,876</td>
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<tr>
<td>Other Assets</td>
<td>255,401</td>
<td>290,143</td>
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<td>Total Assets</td>
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<td>Current Liabilities</td>
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<tr>
<td>Net Assets</td>
<td>1,199,471</td>
<td>1,220,235</td>
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<tr>
<td>Total Assets and Liabilities</td>
<td>1,314,970</td>
<td>1,308,897</td>
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</table>

### Cash Statement

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at beginning of Year</td>
<td>234,078</td>
<td>143,828</td>
</tr>
<tr>
<td>Cash at end of Year</td>
<td>305,975 *</td>
<td>234,078 *</td>
</tr>
</tbody>
</table>

*Includes contributions given for our on-going capital campaign.
2007 ICT Resources

InnerCity Tennis is deeply indebted to the hundreds of individuals, corporations and foundations who have generously given their time, energy and resources to the achievement of our Mission. Your contributions support and inspire the children we are trying to reach.

A BIG THANK YOU!

InnerCity Tennis 2007 Annual Report

A licensed child psychologist provided guidelines for volunteers and staff in dealing with children. She ensured that our methods of building self-esteem were age-appropriate for participants and that volunteers addressed special needs, positively managed behavioral problems, etc.

Girl Scouts of the United States of America participated in a special one day camp at ICT.

2007 ICT Resources

InnerCity Tennis sent their children to the Rain-Swift Family Tennis Center for after school programming.

Lynda Enright, MS, RD, LD, Do We Nutrition Consulting provided nutrition curriculum for our program and hosted educational sessions for our CMTs, parents and teen participants.

Minneapolis Park and Recreation reserved courts at 20 parks during the summer to publicized programs through its citywide newsletters, distributed fliers, and assisted with enrollment.

The University of Minnesota and Search Institute collaborated with ICT to ensure quality program development and evaluation.

Urban Ventures (Colin Powell Center), The Leamings for Leadership Charter School, The W.I.S.E. Charter School and Head Start (McKnight & Fraser) provided space in their gyms, recruited participants, encouraged participation for children with disabilities, and assisted with any language barriers.

YM/YWCA recruited and transported participants to ICT for a tennis camp.

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Deloitte & Touche LLP
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We touched the lives of 4,771 kids with our programming.