

**METRO BICYCLE COALITION OF NEW ORLEANS
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020**



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Member
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
METRO BICYCLE COALITION OF NEW ORLEANS
New Orleans, Louisiana

I have audited the accompanying financial statements of **METRO BICYCLE COALITION OF NEW ORLEANS (BIKE EASY)**, which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are

INDEPENDENT AUDITOR'S REPORT
(CONTINUED)

Auditor's Responsibility, Continued

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **BIKE EASY** as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenditures is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.



VGR, CPA
New Orleans, Louisiana

November 18, 2021

METRO BICYCLE COALITION OF NEW ORLEANS
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020

ASSETS

Assets:		
Current Assets:		
Cash and equivalents		225,550
Accounts Receivable		9,659
Total Current Assets		235,209
Fixed Assets:		
Equipment (net of accumulated depreciation \$10,373)		<u>3,157</u>
Total Fixed Assets		<u>3,157</u>
Total assets		238,366

LIABILITIES AND NET ASSETS

Liabilities:		
Current Liabilities:		
Accounts Payable		8,524
Refundable Advances		41,900
Salaries Payable		3,218
Total liabilities		<u>53,642</u>
Net Assets (NOTE 2):		
Without Restriction -		149,815
With Restriction -		<u>34,909</u>
Total net assets		<u>184,724</u>
Total liabilities and net assets		238,366

The accompanying notes are an integral part of these financial statements

METRO BICYCLE COALITION OF NEW ORLEANS
STATEMENT OF ACTIVITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2020

<u>INCOME</u>	<u>Without</u> <u>Restriction</u>	<u>Wth</u> <u>Restriction</u>	<u>Total</u>
Grant Income	\$ 304,042	\$ 36,782	\$ 340,824
Donation Income	34,805	-	34,805
Sponsorship Income	32,891	-	32,891
Contract income	6,255	-	6,255
Inkind income	16,200	-	16,200
Other Income	1,850	-	1,850
Net Assets Released from Restriction	<u>\$ 7,573</u>	<u>\$ (7,573)</u>	<u>\$ -</u>
Total Income	\$ 403,616	\$ 29,209	\$ 432,825
 <u>EXPENSES</u>			
Program Services	314,730	-	314,730
Support Services	104,913	-	104,913
Fundraising	<u>24,055</u>	<u>-</u>	<u>24,055</u>
Total Expenses	443,698	-	443,698
Change in net assets	(40,082)	29,209	(10,873)
Net assets, beginning of year	179,779	15,818	195,597
Adjustment to beginning of year	-	-	-
Beginning of year as restated	179,779	15,818	195,597
Net assets, end of year	139,697	45,027	184,724

The accompanying notes are an integral part of these financial statements

METRO BICYCLE COALITION OF NEW ORLEANS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

Cash Flows from Operating Activities

Change in net assets	\$ (10,873)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	2,706
Decrease in grants receivable	9,039
Increase in accounts payable	6,336
Increase in refundable advances	41,900
Increase in salaries payable	<u>3,218</u>
Net cash provided by operating activities	<u>52,326</u>
Net increase in cash and equivalents	52,326
Cash - January 1, 2020	<u>173,224</u>
Cash - December 31, 2020	<u><u>\$ 225,550</u></u>

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

METRO BICYCLE COALITION OF NEW ORLEANS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

<u>Expenses</u>	<u>Program Expense</u>	<u>Support Expense</u>	<u>Fundraising Expense</u>	<u>Total</u>
Salarie and Benefits	\$ 133,946	\$ 48,347	\$ 23,285	\$ 205,578
Professional Fees	143,273	26,724	-	169,996
Bank Service Charges	-	965	-	965
Depreciation	-	2,706	-	2,706
Payroll Expenses	-	1,721	-	1,721
Occupancy	7,191	3,245	-	10,437
Furniture and Equipment	-	655	-	655
Office Supplies	145	1,158	75	1,378
Postage	10	327	161	498
Insurance	-	3,668	-	3,668
Permits and Space Usage Fees	-	6,000	-	6,000
Program Equipment	2,119	-	-	2,119
Outreach & Educational Materials	11,348	164	-	11,511
Supplies	5,105	718	391	6,214
Marketing	195	-	143	338
Travel	1,209	-	-	1,209
Conference /Event /Professional Development Fees	2,025	117	-	2,142
Membership Dues	65	205	-	270
Inkind Expenses	8,100	8,100	-	16,200
Other Expenses	-	94	-	94
TOTAL EXPENSES	\$ 314,730	\$ 104,913	\$ 24,055	\$ 443,698

The accompanying notes are an integral part of these financial statements

METRO BICYCLE COALITION OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION:

METRO BICYCLE COALITION OF NEW ORLEANS (**BIKE EASY**) is a non-profit organization formed in 2008. **BIKE EASY** is a grassroots organization dedicated to improving commuting and recreational cycling conditions in and around New Orleans, Louisiana. **Bike Easy** works to increase transportation choice, mobility and infrastructure by establishing a safe network of bicycle lanes, paths and facilities, educating cyclists and drivers on safety and the rules of the road, and advocating at local, state and national levels for routine accommodation of bicyclists and pedestrians.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Principles of Accounting

BIKE EASY is a non-profit community based organization whose financial statements are prepared on the accrual basis. **BIKE EASY** has also been classified as an entity that is not a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code and qualifies for deductible contributions as provided by Section 170(b)(1)(A)(vi).

BIKE EASY's Forms 990, *Return of Organization Exempt from Income Tax*, and Forms 990-T, *Exempt Organization Business Income Tax Return*, for the years ending December 31, 2015, 2016 and 2017 are subject to examination by the IRS, generally for three years after they were filed.

BIKE EASY's exempt status is recognized by the State of Louisiana. Accordingly, no provision has been made in the financial statements for federal or state income taxes.

Basis of Reporting

BIKE EASY has adopted the provisions of FASB Accounting Standards Codification, Topic 958, "Accounting for Not-for-Profit Entities", and reports its financial position and activities according to three classes of net assets according to externally (donor) imposed restrictions.

METRO BICYCLE COALITION OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

A description of the three net asset categories is as follows:

Unrestricted net assets include funds not subject to donor-imposed stipulations. The revenues received and expenses incurred in conducting the mission of **BIKE EASY** are included in this category.

Temporarily restricted net assets include realized gains and losses, investment income and gifts and contributions for which donor-imposed restrictions (capital improvements, etc.) have not been met.

Permanently restricted net assets are contributions which are required by the donor-imposed restriction to be invested in perpetuity and only the income be made available for program operations in accordance with the donor restrictions. Such income is reflected in temporarily restricted net assets until utilized for donor-imposed purposes.

As of December 31, 2020, **BIKE EASY** did not have any permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, **BIKE EASY** considers all short-term, highly liquid investments with maturity of three months or less at the time of purchase to be cash equivalents.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

METRO BICYCLE COALITION OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED:

Promises to Give

Contributions are recognized when the donor makes a promise to give to BIKE EASY that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Support and Revenues

Revenues received under grant programs are recognized when earned. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor or the board of directors.

Fair Value

BIKE EASY has adopted certain provisions of FASB Accounting Standards Codification Topic 820, "Fair Value Measurements and Disclosures." ASC Topic 820 refines the definition of fair value, establishes specific requirements as well as guidelines for a consistent framework to measure fair value, and expands disclosure requirements about fair value measurements. ASC Topic 820 requires **BIKE EASY** to maximize the use of observable market inputs, minimize the use of unobservable market inputs, and disclose in the form of an outlined hierarchy, the details of such fair value measurements.

Use of Estimates

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

METRO BICYCLE COALITION OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 3 - ECONOMIC DEPENDENCY:

The primary sources of revenue for **BIKE EASY** are grants provided through various funding agencies. The continued success of **BIKE EASY** is dependent upon the renewal of these grants and obtaining other grants from the funding sources.

NOTE 4 - INCOME TAXES:

BIKE EASY is a tax-exempt organization under section 501(C)(3) of the Internal Revenue Code. Accordingly, no provisions for federal or state income taxes have been recorded in the accompanying financial statements. Should **BIKE EASY's** tax status be challenged in the future, 2015 2016 and 2017 tax years are open for examination by the IRS.

NOTE 5 - COMMITMENTS AND CONTINGENCIES:

Participation in Grant Programs

BIKE EASY is a recipient of grant funds from various funding sources. The administration of the program and activities funded by the grants are under the control and administration of **BIKE EASY** and are subject to audit and/or review by the applicable funding source. Any grant funds found not to be properly spent in accordance with the terms, conditions, and regulations of the funding source may be subject to recapture.

NOTE 6 - FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS AND LIABILITIES:

In accordance with FASB ASC Topic 820, fair value is defined as the price that **BIKE EASY** would receive to sell an asset or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market the most advantageous market for the asset or liability. ASC Topic 820 established a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in

METRO BICYCLE COALITION OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 6 - FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS AND LIABILITIES CONTINUED:

pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to established classification of fair value measurements for disclosure purposes.

Various inputs are used in determining the value of **BIKE EASY** assets or liabilities. The inputs are summarized in the three broad levels listed below:

Level 1 -Quoted prices are available in active markets for identical investments as of the reporting date.

Level 2 -Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 -Pricing inputs are unobservable for the investment and include situations where there is little, if any market activity. The inputs into the determination of fair value require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. **BIKE EASY's** assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. All investments are considered level 1 investments.

The carrying value and the estimated fair values of **BIKE EASY's** financial instruments at December 31, 2020 are as follows:

METRO BICYCLE COALITION OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 6 - **FAIR VALUE MEASUREMENTS OF
FINANCIAL ASSETS AND LIABILITIES: CONTINUED**

<u>Description</u>	<u>Carrying Value</u>	<u>Fair Value</u>
Cash and cash equivalents	\$ 225,550	\$ 225,550
Accounts Receivable	9,659	9,659
Accounts Payable	8,524	8,524
Salaries Payable	3,218	3,218
Refundable Advancees	41,900	41,900

NOTE 7 - **CONTRIBUTED SERVICES**:

BIKE EASY records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses.

BIKE EASY received contributed rent during the year ended December 31, 2020, with a fair value on the dates of donation of \$16,200.

NOTE 8 - **REFUNDABLE ADVANCES**:

On April 16, 2020 **BIKE EASY's** received loan proceeds in the amount of approximately \$41,900 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight-week period. The balance of the line of credit as of March 31, 2021 was \$41,900 and the interest rate is 1%.

METRO BICYCLE COALITION OF NEW ORLEANS
NOTES TO THE FINANCIAL STATEMENTS, CONTINUED

NOTE 9 - EQUIPMENT:

	<u>Balance at</u> <u>1/01/20</u>	<u>Additions</u> <u>(Reductions)</u>	<u>Balance at</u> <u>12/31/20</u>
Equipment	\$ 13,530	\$ -0-	\$ 13,530
Accumulated depreciation	\$ <u>(7,667)</u>	<u>(2,706)</u>	<u>(10,373)</u>
Net Equipment	\$ <u>5,863</u>	\$ <u>(2,706)</u>	\$ <u>3,157</u>

Depreciation expense for the year ended December 31, 2020 totaled 2,706

NOTE 10 - SUBSEQUENT EVENTS:

FASB Accounting Standards Codifications Topic 855-10, "Subsequent Events" requires the disclosure of the date through which **BIKE EASY** has evaluated subsequent events and the reason for selecting that date. **BIKE EASY** evaluated subsequent events from January 1, 2021 to November 18, 2021, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION
SCHEDULE OF FEDERAL EXPENSES

METRO BICYCLE COALITION OF NEW ORLEANS
SCHEDULE OF FEDERAL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2020

<u>GRANTOR</u>	<u>CFDA NUMBER</u>	<u>ENTITY NUMBER</u>	<u>PASS-THROUGH TO SUBRECIPIENTS</u>	<u>ACTIVITY</u>
<u>U.S. Department of Health & Human Services</u>				
<u>Awards From A Pass-Through Entity</u>				
<u>Louisiana Highway Safety Commission</u>				
State and Community Highway Safety	20.600	N/A	-0-	\$ 39,034
<u>Awards From A Pass-Through Entity</u>				
<u>City of New Orleans</u>				
Total U.S. Department of Transportation				<u>39,034</u>
Total Expenditures of Federal Awards				\$ <u>39,034</u>

