

Financial Statements of

BICYCLE ADVENTURE CLUB

Year Ended December 31, 2018

(Unaudited)



bicycleadventureclub.org

I certify that the 2018 financial statements of the Bicycle Adventure Club were prepared without audit from the books and records of the corporation.

[signature on file]

Elizabeth Buckingham
Treasurer
February 5, 2019

BICYCLE ADVENTURE CLUB

Statement of Financial Position

December 31, 2018, with comparative information for 2017

Unaudited

	2018	2017
Assets		
Current Assets		
Cash (non-interest bearing)	\$ 404,042	\$ 424,706
Savings and temporary cash investments	1,420,980	1,091,646
Club Merchandise	696	1,086
Accounts Receivable (credit card)	52,428	51,949
Prepaid Expenses	3,450	0
	<u>\$1,881,596</u>	<u>\$1,569,387</u>
Current Liabilities		
Accounts Payable	\$ 242	\$ 7,309
Deferred Revenue	120,600	120,650
Ride Trust Funds	1,506,389	1,221,785
	<u>\$1,627,231</u>	<u>\$1,349,744</u>
Net Assets		
Without Donor Restrictions	\$254,365	\$219,643

Approved on behalf of the Board:

Karen Hass [*signature on file*]

Director

Elizabeth Buckingham [*signature on file*]

Director

BICYCLE ADVENTURE CLUB

Statement of Activities¹

Year ended December 31, 2018 with comparative figures for 2017

Unaudited

	2018	2017 ²
Revenue		
Donation	\$ 1,549	\$ 0
Interest Income	2,176	1,106
Memberships	44,585	36,509
Ride Fees	122,700	120,700
Net income from sale of inventory (luggage tags)	1	
Total Revenues	\$171,011	\$158,315
Expenses		
Program	\$ 84,298	\$ 81,454
Management and General	51,991	57,272
Total Expenses	\$136,289	\$138,726
Change in Net Assets	\$ 34,722	\$ 19,589
Net Assets, beginning of year	219,643	200,054
Net Assets, end of year	\$254,365	\$219,643

¹ All of BAC's activities are undertaken using funds without donor restrictions. There are no internal or external restrictions on how the funds for operating purposes are used.

² Restated to bring into compliance with the requirements of FASB Accounting Standards Update 2016-14

BICYCLE ADVENTURE CLUB

Statement of Cash Flows

Year ended December 31, 2018 with comparative figures for 2017

Unaudited

	2018	2017
Operating Activities		
Net revenue (expenditure) for the year	34,722	19,589
Net change in non-cash working capital items		
Accounts Receivable	(479)	(43,482)
Club Merchandise	390	315
Prepaid expenses	(3,450)	608
Accounts payable	(7,067)	6,799
Deferred revenue	(50)	(1,550)
Ride Trust Fund	284,604	1,121,456
Increase (Decrease) In Cash For The Year	308,670	1,103,735
Cash – beginning of year	1,516,352	412,617
Cash – End Of Year	1,825,022	1,516,352

BICYCLE ADVENTURE CLUB

Notes to Financial Statements

December 31, 2018

1. Purpose Of The Organization

The organization is incorporated under the Corporation Code of the State of California as a non-profit mutual benefit corporation. The purpose of the corporation is to offer to its members bicycle rides.

2. Significant Accounting Policies

These statements have been prepared in accordance with American accounting standards for not-for-profit organizations and include the following significant accounting policies:

a. Estimates and assumptions

The preparation of financial statements requires the Board to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The estimates and assumptions are reviewed annually and, as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

b. Property and equipment

Prior to 2015, the corporation operated on a cash basis of accounting and any property and equipment purchased was expensed at the time of purchase (e.g., office furniture and computers). Any property or equipment purchased during 2017 cost less than \$1,500 and was expensed.

c. Revenue recognition

Ride revenues are recognized at the time a ride occurs but may be collected up to two years in advance. If the ride is cancelled due to insufficient numbers, the ride fee is reimbursed.

d. Restatement of the 2017 Financial Results

The results for 2017 were restated to bring them into compliance with the requirements of FASB Accounting Standards Update 2016-14 which became effective for all fiscal years beginning after December 15, 2017.

3. Financial Instruments

Financial instruments of the organization consist of cash, certificates of deposit, money market fund, accounts receivable and accounts payable.

Unless otherwise noted, the Board is of the opinion that the organization is not exposed to significant interest rate, currency, credit, liquidity or market risks arising from its financial instruments and the carrying amount of the financial instruments approximate their fair value.

4. Deferred Revenue

Deferred revenue represents amounts received that relate to a subsequent year as follows:

	2018	2019	2020	Total
Total as of December 31, 2018		113,950	6,650	120,600
Total as of December 31, 2017	110,050	10,600		120,650

5. Liquidity & Availability

The organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash (non-interest bearing)	\$ 404,042
Savings and temporary cash investments	1,420,980
Accounts Receivable (credit card)	52,428
Total financial assets	<u>\$1,877,450</u>
Less:	
Amounts unavailable for general expenditures within one year	
Funds held on behalf of ride leaders	(\$1,506,389)
Donor restricted beyond one year (revenues to be recognized in 2020)	(6,650)
	<u>(\$1,513,039)</u>
Total financial assets available within one year	<u>\$364,411</u>

The Board monitors levels of available financial assets to ensure there are sufficient funds for cover anticipated expenditures for up to two years and to cover the cost of a major project such as a complete overhaul of its website.

6. Expenses by Both Nature and Function

The financial statements report certain categories of expenses that are attributable to BAC’s core program activity (Bicycle tours) or supporting functions (e.g., Board activities, maintenance of membership records, etc.). These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated are those relating to the independent contractor which were allocated on a 50/50 basis. Other expenses in the general ledger were reviewed to determine to which category they best fit.

Functional expenses by natural classification are presented below for the period ending December 31st for 2018 and 2019.

	2018			2017		
	Program services- Bicycle Tours	Supporting Services – Management & General	Total	Program services- Bicycle Tours	Supporting Services – Management & General	Total
Expenditures						
Board Travel	\$ 8,480	\$13,239	\$21,719	\$ 7,095	\$15,370	\$22,464
Contracted & Professional Services	33,169	38,894	72,063	38,186	36,602	74,788
Insurance	29,409	982	30,391	34,247	1,232	35,479
Miscellaneous	-	328	328	-	407	407
Office expenses	7,061	-	7,061	-	3,661	3,661
Ride Leader Seminar and Board Meetings	3,605	1,122	4,727	1,926	-	1,926
	\$84,298	\$51,991	\$136,289	\$81,454	\$57,272	\$138,726

7. Membership Records

Names and addresses of current members are available to all BAC members in good standing for a purpose reasonably related to their interest as a member, by contacting the office³.

³ As provided under the California Corporations Code, paragraph 8330.