

BICYCLE COLORADO

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

TOGETHER WITH INDEPENDENT AUDITORS' REPORT

BICYCLE COLORADO
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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TAYLORROTH

Certified Public Accountants

WORKING EXCLUSIVELY WITH NONPROFITS

November 12, 2024

Independent Auditors' Report

Board of Directors
Bicycle Colorado
Denver, Colorado

Opinion

We have audited the accompanying financial statements of **Bicycle Colorado** (a Colorado nonprofit corporation) which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bicycle Colorado as of June 30, 2024, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bicycle Colorado and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bicycle Colorado's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bicycle Colorado's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bicycle Colorado's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We previously audited Bicycle Colorado's 2023 financial statements, and expressed an unmodified opinion on those audited financial statements in our report dated March 20, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Taylor Roth and Company PLLC

TAYLOR, ROTH AND COMPANY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
DENVER, COLORADO

BICYCLE COLORADO
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 460,898	\$ 497,829
Accounts receivable (Note 4)	57,914	59,977
Grants and contributons receivable (Note 5)	169,899	75,000
Prepaid expenses and deposits	10,052	7,149
Property and equipment (Note 6)	<u>-</u>	<u>-</u>
Total assets	<u>\$ 698,763</u>	<u>\$ 639,955</u>
 <u>Liabilities and net assets</u>		
Accounts payable	\$ 52,514	\$ 38,855
Payroll liabilities	<u>5,618</u>	<u>5,618</u>
Total liabilities	<u>58,132</u>	<u>44,473</u>
 Net assets		
Without donor restrictions	405,631	438,478
With donor restrictions (Note 7)	<u>235,000</u>	<u>157,004</u>
Total net assets	<u>640,631</u>	<u>595,482</u>
Total liabilities and net assets	<u>\$ 698,763</u>	<u>\$ 639,955</u>

The accompanying notes are an integral part of these financial statements

BICYCLE COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<u>Revenue and other support</u>				
Grants and contributions	\$ 672,837	\$ 367,500	\$ 1,040,337	\$ 805,286
Program contracts	370,683	-	370,683	384,707
Membership dues	318,425	-	318,425	368,280
Event revenue	84,724	-	84,724	175,520
Licensing and royalties	7,620	-	7,620	11,744
Interest	6,577	-	6,577	2,042
Other	2,697	-	2,697	2,929
In-kind donations (Note 8)	2,901	-	2,901	990
Net assets released from restrictions (Note 9)	289,504	(289,504)	-	-
Total revenue and other support	1,755,968	77,996	1,833,964	1,751,498
<u>Expense</u>				
Program	1,474,660	-	1,474,660	1,716,426
Supporting services				
Management and general	145,270	-	145,270	176,190
Fund-raising	168,885	-	168,885	198,366
Total expense	1,788,815	-	1,788,815	2,090,982
Change in net assets	(32,847)	77,996	45,149	(339,484)
Net assets, beginning of year	438,478	157,004	595,482	934,966
Net assets, end of year	\$ 405,631	\$ 235,000	\$ 640,631	\$ 595,482

The accompanying notes are an integral part of these financial statements

BICYCLE COLORADO
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024			2023	
	Supporting Services				
	Program	Management and General	Fund- raising	Total	Total
Salaries	\$ 816,768	\$ 59,763	\$ 119,527	\$ 996,058	\$1,096,157
Payroll taxes and benefits	131,170	9,597	19,196	159,963	168,678
Sub-contractors - program delivery	110,313	-	-	110,313	145,843
Professional services - subgrantee	87,520	-	-	87,520	95,777
Rent	67,647	13,530	3,382	84,559	83,485
Equipment rental	44,496	8,343	2,781	55,620	117,504
Marketing	29,531	1,423	4,625	35,579	31,650
Professional services	16,299	8,490	9,168	33,957	111,880
Legislative services	33,000	-	-	33,000	28,000
IT services	26,110	4,895	1,632	32,637	20,472
Food and catering	26,110	1,467	1,760	29,337	43,132
Equipment and software	15,989	2,998	999	19,986	17,769
Credit card fees	14,598	2,738	912	18,248	16,522
Insurance	3,063	10,720	1,531	15,314	10,006
Accounting	-	14,444	-	14,444	12,608
Printing	9,777	629	1,029	11,435	22,792
Travel	8,902	880	-	9,782	22,506
Supplies	5,438	1,019	340	6,797	9,080
Postage	5,333	398	894	6,625	9,157
Utilities	5,272	1,042	195	6,509	5,583
Telephone	4,750	891	297	5,938	4,769
Internet	2,662	500	166	3,328	2,672
Subscriptions and dues	2,591	486	162	3,239	3,533
Other	7,321	1,017	289	8,627	11,407
Total	<u>\$1,474,660</u>	<u>\$ 145,270</u>	<u>\$ 168,885</u>	<u>\$ 1,788,815</u>	<u>\$2,090,982</u>

The accompanying notes are an integral part of these financial statements

BICYCLE COLORADO
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	<u>2024</u>	<u>2023</u>
<u>Cash flows from operating activities</u>		
Change in net assets	\$ 45,149	\$ (339,484)
Adjustments to reconcile change in net assets to net cash provided(used) by operating activities		
<u>Changes in operating assets and liabilities</u>		
(Increase)decrease in accounts receivable	2,063	93,335
(Increase)decrease in grants and contributions receivable	(94,899)	75,000
(Increase)decrease in prepaid expenses and deposits	(2,903)	676
(Decrease)increase in accounts payable	13,659	23,811
(Decrease)increase in payroll liabilities	-	(3,487)
Net cash (used) by operating activities	<u>(36,931)</u>	<u>(150,149)</u>
Net (decrease)increase in cash and cash equivalents	(36,931)	(150,149)
Cash and cash equivalents, beginning of year	<u>497,829</u>	<u>647,978</u>
Cash and cash equivalents, end of year	<u><u>\$ 460,898</u></u>	<u><u>\$ 497,829</u></u>

The accompanying notes are an integral part of these financial statements

BICYCLE COLORADO
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1 - NATURE OF ACTIVITIES

Bicycle Colorado (the Organization) was incorporated as a nonprofit corporation in the state of Colorado in 1992. The Organization's mission is to promote and encourage bicycling, improve conditions, increase safety and provide a voice for cyclists in Colorado. Program services include:

- Support and collaborate on key cycling projects
- Collaborate with local, state, and national agencies
- Establish and continue mutually beneficial ties with state policy decision makers
- Serve as an effective and efficient information clearinghouse
- Strengthen lobbying efforts and raise the profile of bicycling

The Organization is primarily supported by contributions, program contracts and member dues.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

1. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

2. Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to the following two classes of net assets:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions: Net assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Continued)

3. Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less, except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

4. Capitalization and Depreciation

The Organization follows a practice of capitalizing all applicable expenditures in excess of \$2,000. The fair value of donated assets is similarly capitalized. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis.

5. Fair Value Measurement

The Organization is subject to the provisions of the Fair Value Measurements and Disclosures accounting standard. This standard requires use of a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels: quoted market prices in active markets for identical assets and liabilities (Level 1); inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly (Level 2); and unobservable inputs for the asset or liability (Level 3).

6. 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.

7. Income Taxes

The Organization has received an Internal Revenue Service exemption from federal income taxes under Section 501(c)(3). Accordingly, no provision or liability for income taxes has been provided in the accompanying financial statements.

8. Functional Reporting of Expenses

For the year ended June 30, 2024, the costs of providing the various programs and other 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 benefited. The allocations are determined by management on a rational and systematic basis. Salaries, taxes and employee benefits, are allocated on a time and effort basis. Rent is allocated based on square footage. All other expenses are allocated based on the program or supporting services benefited.

9. Summarized Prior-Year Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

10. Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received; conditional promises to give with a measurable performance barrier and a right of return are not recognized until the conditions on which they depend have been met.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES (Concluded)

11. Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

12. Subsequent Events

Management has evaluated subsequent events through November 12, 2024, the date the financial statements were available to be issued.

NOTE 3 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets available for general operating expenditures within one year at June 30, 2024:

<u>Financial assets at year-end:</u>	<u>Amount</u>
Cash and cash equivalents	\$ 460,898
Accounts receivable	57,914
Grants and contributions receivable	<u>169,899</u>
	688,711
Less amounts not available to be used within one year:	
Multi-year award	<u>(75,000)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 613,711</u>

The Organization's goal is generally to maintain financial assets to meet six months of operating expenses. Management considers donor restricted contributions that will be used within one year as part of its ordinary operations, as being available for general expenditures.

NOTE 4 - ACCOUNTS RECEIVABLE

At year-end, accounts receivable consists of contracts and dues receivable. Management has evaluated the receivables and does not believe that an allowance is needed. Management expects to collect these receivables in fiscal year 2025.

NOTE 5 - GRANTS AND CONTRIBUTIONS RECEIVABLE

At year end, grants and contributions receivable represent \$169,899 in award or contribution notices received but not collected as of the date of the financial statements. Managements expects to collect the grants and contributions as follows:

<u>Description</u>	<u>Amount</u>
2025	\$ 94,899
2026	<u>75,000</u>
Total	<u>\$ 169,899</u>

NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

<u>Description</u>	<u>Amount</u>
Vehicle	\$ 24,366
Less: accumulated depreciation	<u>(24,366)</u>
Net property and equipment	<u><u>\$ -</u></u>

Depreciation expense for the year was \$0.

NOTE 7 - NET ASSETS WITH DONOR RESTRICTIONS

At year-end, net assets with donor restrictions were available for the following purposes:

<u>Description</u>	<u>Amount</u>
Denver Streets Partnerships	\$ 160,000
Communications	<u>75,000</u>
Total	<u><u>\$ 235,000</u></u>

NOTE 8 - IN-KIND DONATIONS

During the year, in-kind contributions were received as follows:

<u>Description</u>	<u>Revenue Recognized</u>
Salesforce consulting - discount on services	<u><u>\$ 2,901</u></u>

The value of donated Salesforce consulting is determined by the donor. The Organization paid the consultant for services during the year and received a 10% discount. There were no donor restrictions associated with the in-kind contributions and were allocated based on the program or supporting services benefited.

NOTE 9 - NET ASSETS RELEASED FROM DONOR RESTRICTIONS

During the year, expenditures were made satisfying donor restrictions as follows:

<u>Description</u>	<u>Amount</u>
Denver streets partnership	\$ 205,000
Communications	82,004
Technical assistance	<u>2,500</u>
Total	<u><u>\$ 289,504</u></u>

NOTE 10 - EMPLOYEE RETIREMENT PLAN

The Organization has a SIMPLE-IRA retirement plan (the Plan). The Plan covers all eligible employees. Employees may elect to make contributions to the plan up to the maximum amount permitted. The Organization matches the first 3% of employee contributions to the plan. Total employer contributions to this plan in 2024 were \$17,097.

NOTE 11 - CONCENTRATION OF CREDIT RISK

The Organization places all of its operating cash with one financial institution. Amounts in excess of \$250,000 are not insured by the FDIC or a related entity. At year-end, the Organization's checking and savings account balances total approximately \$462,500. Management has evaluated its banking needs and the strength of the financial institution and believes that it is in the best long-term interest of the Organization to continue its existing relationship.

NOTE 12 - RELATED PARTY TRANSACTION

During the year, the Organization paid approximately \$7,250 to a board member for consulting services. Management and board have evaluated these activities and feel they were conducted in accordance with the Organization's conflict of interest policy.