

SAN FRANCISCO BICYCLE COALITION

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

SAN FRANCISCO BICYCLE COALITION

CONSOLIDATED FINANCIAL STATEMENTS WITH ADDITIONAL INFORMATION DECEMBER 31, 2020 AND 2019

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
San Francisco Bicycle Coalition

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of San Francisco Bicycle Coalition and its affiliate (the Organization), which comprise the consolidated statements of financial position as of December 31, 2020 and 2019; the related consolidated statements of activities, of cash flows, and of functional expenses for the years then ended; and the related notes to the consolidated financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, which 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.

AUDITORS' RESPONSIBILITY

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness

To the Board of Directors of
San Francisco Bicycle Coalition
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of the entity's internal control. Accordingly, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of San Francisco Bicycle Coalition and its affiliate as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

REPORT ON SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating schedules of assets, liabilities and net assets and the consolidating schedules of revenue, expenses and changes in net assets on pages 18–19 are presented for purposes of additional analysis and are 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 audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Tim August" followed by a stylized monogram or initials.

October 28, 2021

SAN FRANCISCO BICYCLE COALITION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
ASSET S		
ASSET S		
Cash	\$ 1,152,146	\$ 880,139
Accounts receivable, net	192,283	274,985
Inventory	23,470	16,996
Prepayments and deposits	42,193	42,327
Property and equipment, net	25,077	29,699
Total assets	<u>\$ 1,435,169</u>	<u>\$ 1,244,146</u>
LIABILITIES AND NET ASSET S		
LIABILITIES		
Accounts payable	\$ 32,723	\$ 33,075
Accrued vacation	55,880	43,560
Deferred revenue	97,501	49,757
Deferred rent liability	19,848	30,980
Loans payable	492,700	-
Total liabilities	<u>698,652</u>	<u>157,372</u>
NET ASSET S		
Without donor restrictions	736,517	1,061,774
With donor restrictions	-	25,000
Total net assets	<u>736,517</u>	<u>1,086,774</u>
Total liabilities and net assets	<u>\$ 1,435,169</u>	<u>\$ 1,244,146</u>

See accompanying notes to consolidated financial statements.

SAN FRANCISCO BICYCLE COALITION

CONSOLIDATED STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE			
Membership dues	\$ 358,394	\$ -	\$ 358,394
Foundation grants	224,600	-	224,600
Contributions	579,049	-	579,049
Contracts	470,341	-	470,341
Program fees	29,487	-	29,487
Special events	201,129	-	201,129
Other income, net of cost of goods sold	20,362	-	20,362
Subtotal	<u>1,883,362</u>	<u>-</u>	<u>1,883,362</u>
Net assets released from restrictions			
Expiration of time restrictions	25,000	(25,000)	-
Total net assets released from restrictions	<u>25,000</u>	<u>(25,000)</u>	<u>-</u>
Total revenue	<u>1,908,362</u>	<u>(25,000)</u>	<u>1,883,362</u>
EXPENSES			
Program services	1,645,638	-	1,645,638
General and administrative	281,787	-	281,787
Fundraising	306,194	-	306,194
Total expenses	<u>2,233,619</u>	<u>-</u>	<u>2,233,619</u>
CHANGE IN NET ASSETS	(325,257)	(25,000)	(350,257)
NET ASSETS			
Beginning of year	1,061,774	25,000	1,086,774
End of year	<u>\$ 736,517</u>	<u>\$ -</u>	<u>\$ 736,517</u>

See accompanying notes to consolidated financial statements.

SAN FRANCISCO BICYCLE COALITION

CONSOLIDATED STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE			
Membership dues	\$ 358,020	\$ -	\$ 358,020
Foundation grants	173,500	-	173,500
Contributions	528,423	-	528,423
Contracts	483,176	-	483,176
Program fees	172,324	-	172,324
In-kind support	64,580	-	64,580
Special events	704,573	-	704,573
Other income, net of cost of goods sold	19,380	-	19,380
Subtotal	<u>2,503,976</u>	<u>-</u>	<u>2,503,976</u>
Net assets released from restrictions			
Expiration of time restrictions	<u>25,000</u>	<u>(25,000)</u>	<u>-</u>
Total net assets released from restrictions	<u>25,000</u>	<u>(25,000)</u>	<u>-</u>
Total revenue	<u>2,528,976</u>	<u>(25,000)</u>	<u>2,503,976</u>
EXPENSES			
Program services	1,862,972	-	1,862,972
General and administrative	236,773	-	236,773
Fundraising	405,800	-	405,800
Total expenses	<u>2,505,545</u>	<u>-</u>	<u>2,505,545</u>
CHANGE IN NET ASSETS	23,431	(25,000)	(1,569)
NET ASSETS			
Beginning of year	<u>1,038,343</u>	<u>50,000</u>	<u>1,088,343</u>
End of year	<u>\$ 1,061,774</u>	<u>\$ 25,000</u>	<u>\$ 1,086,774</u>

See accompanying notes to consolidated financial statements.

SAN FRANCISCO BICYCLE COALITION

CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (350,257)	\$ (1,569)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation expense	4,412	2,496
Accrual of deferred rent liability	(11,132)	3,151
Changes in assets and liabilities		
Accounts receivable	82,702	46,488
Inventory	(6,474)	(4,171)
Prepayments and deposits	134	55,380
Accounts payable	(352)	(74,022)
Other liabilities	60,064	(280)
Net cash (used in) provided by operating activities	<u>(220,903)</u>	<u>27,473</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Other fixed-asset adjustments	<u>210</u>	<u>11,954</u>
Net cash provided by investing activities	<u>210</u>	<u>11,954</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan obtained	<u>492,700</u>	<u>-</u>
Net cash provided by financing activities	<u>492,700</u>	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	272,007	39,427
CASH		
Beginning of year	880,139	840,712
End of year	<u>\$ 1,152,146</u>	<u>\$ 880,139</u>
SUPPLEMENTARY INFORMATION		
Interest and taxes paid	<u>\$ -</u>	<u>\$ -</u>
In-kind support received	<u>\$ -</u>	<u>\$ 64,580</u>

See accompanying notes to consolidated financial statements.

SAN FRANCISCO BICYCLE COALITION

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2020

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$1,069,620	\$ 149,228	\$ 178,813	\$1,397,661
Payroll taxes	86,572	11,889	14,342	112,803
Employee benefits	99,464	12,503	29,118	141,085
Professional services	102,355	23,014	229	125,598
Rent	133,652	16,059	27,283	176,994
Information technology	33,879	6,362	5,948	46,189
Supplies and office expenses	58,264	8,353	9,852	76,469
Postage	11,661	1,146	2,290	15,097
Printing and publications	27,050	68	8,460	35,578
Merchant account fees	(296)	(152)	25,843	25,395
Depreciation	3,274	421	717	4,412
Insurance	13,612	920	2,935	17,467
Meals, entertainment and travel	6,526	93	319	6,938
Other expenses	5	51,883	45	51,933
	<u>\$1,645,638</u>	<u>\$ 281,787</u>	<u>\$ 306,194</u>	<u>\$2,233,619</u>

See accompanying notes to consolidated financial statements.

SAN FRANCISCO BICYCLE COALITION

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2019

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$1,086,641	\$ 139,538	\$ 163,222	\$1,389,401
Payroll taxes	97,400	12,914	15,030	125,344
Employee benefits	86,668	10,105	24,142	120,915
Professional services	166,543	33,244	40,645	240,432
Rent	141,211	16,706	49,999	207,916
Information technology	31,107	3,169	5,023	39,299
Supplies and office expenses	110,798	17,094	18,239	146,131
Postage	16,939	1,440	4,557	22,936
Printing and publications	49,747	13	22,078	71,838
Merchant account fees	14	3	26,280	26,297
Depreciation	2,196	285	15	2,496
Insurance	13,470	1,733	2,711	17,914
Meals, entertainment and travel	60,150	514	33,859	94,523
Other expenses	88	15	-	103
	<u>\$1,862,972</u>	<u>\$ 236,773</u>	<u>\$ 405,800</u>	<u>\$2,505,545</u>

See accompanying notes to consolidated financial statements.

SAN FRANCISCO BICYCLE COALITION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

NOTE 1. ORGANIZATION

The San Francisco Bicycle Coalition (SFBC, or the Organization) is a nonprofit organization whose mission is to transform San Francisco's streets and neighborhoods into more livable and safe places by promoting the bicycle for everyday transportation. It does this through day-to-day advocacy, education, and working partnerships with government and community agencies. The Organization is exempt from income taxes under Internal Revenue Code Section 501(c)(4) and is governed by a board of directors.

In 2006, San Francisco Bicycle Coalition Education Fund (the Education Fund) was formed as a 501(c)(3) nonprofit organization to support the Organization's operations, except for lobbying and political activities. Although the Organization and the Education Fund are two distinct legal entities, the Education Fund is governed by SFBC's Board of Directors.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting - The consolidated financial statements have been prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Consolidation - The consolidated financial statements include the accounts of SFBC and the Education Fund (an affiliated entity). All significant intercompany transactions are eliminated in the consolidated financial statements.

Major Sources of Funding - Support is received from foundations, corporations, individuals and local government. The Organization also collects dues from its members and charges fees for program services.

Classification of Assets - The consolidated financial statements are prepared in the format prescribed by Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958, *Financial Statements for Not-for-Profit Organizations*, as applicable.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Net Assets - Net assets are classified into two categories according to the existence or absence of donor-imposed restrictions. Descriptions of the net asset categories and types of transactions affecting each category follow:

Without donor restrictions: These represent 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 the Board of Directors.

With donor restrictions: These represent net assets that are subject to donor-imposed time or use restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

If restricted donations are made and restrictions are satisfied during the same fiscal year, activity is reported as without donor restrictions in the consolidated statements of activities. If restrictions are not satisfied at fiscal year-end, donations are recorded as with donor restrictions.

Functional Expenses - The costs of providing program and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain expenses have been allocated among program services and supporting services. Such allocations are determined by management of the Organization as follows: Directly identifiable expenses are charged to programs and supporting activities. Expenses related to more than one function are charged to programs and supporting activities on the basis of periodic time and effort estimates. Management and general activities include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Accounts Receivable - Accounts receivable consists primarily of receivables from program service contracts, membership dues and event sponsorships that have been billed out or contributions promised by donors but not collected as of the date of the accompanying consolidated financial statements.

The Organization determines an allowance for doubtful accounts based on the receivables aging, historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are considered as doubtful accounts and additional allowances would be required if the balance remained uncollected for more than 90 days. For the years ended December 31, 2020 and 2019, an allowance for doubtful accounts was considered unnecessary and was not provided.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Inventory - Inventories of supplies and membership premiums are carried at the lower of cost or market, using the first-in, first-out method. The major classes of inventory are cycling kits, clothing and maps.

Property and Equipment - Fixed assets with an initial cost of at least \$500 are capitalized and stated at cost. Donated fixed assets are stated at their fair market value at the time of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, which range from 3 to 7 years for fixed assets currently on the books.

Membership Dues - Because members receive goods and services in exchange for their annual membership dues, a portion of each membership is considered to be earned revenue, while the remainder is considered to be a contribution. The contribution amount is recognized upon receipt. The earned revenue related to the provision of goods is recognized when those goods are provided to members. The earned revenue related to the provision of membership services is recognized on a straight-line basis over the membership year. Deferred membership revenue as of December 31, 2020 and 2019, totaled \$97,501 and \$49,757, respectively.

In-Kind Support - In-kind contributions consist of goods and professional services provided to the Organization without charge. These are reflected in the consolidated financial statements at the estimated fair market value at the date of receipt.

Loans Payable - Loans payable consists of two loans obtained from the Small Business Administration. These loans were available to the Organization as part of Covid relief programs. See Note 13 for detailed loan information.

Estimates - The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the consolidated financial statements. Actual results may differ from those estimates.

Accounting Pronouncement - In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which requires an entity to recognize revenue that represents the transfer of promised goods or services to customers in an amount reflective of the price the entity expects to be entitled to in exchange for those goods or services. An entity also should disclose sufficient quantitative and qualitative information to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The new standard is effective for fiscal years beginning after December 15, 2019. FBC has adopted the new standard for the year 2020. Management has evaluated the effects of ASU 2014-09 and determined there are no significant consolidated financial statement impacts as a result of implementing the update.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*, which clarifies and improves current guidance on characterizing grants and similar contracts as either reciprocal (exchange) transactions or nonreciprocal (contribution) transactions and how to determine whether a contribution is conditional or unconditional. The new standard is effective for fiscal years beginning after December 15, 2018. SFBC has adopted the new standard for the year 2019. Management has evaluated the effects of ASU 2018-08 and determined there are no significant consolidated financial statement impacts as a result of implementing the update.

NOTE 3. TAX STATUS

SFBC and its Education Fund have been granted exemptions from federal income taxes under Internal Revenue Code Sections 501(c)(3) and 501(c)(4), respectively. Both entities are exempt from state income tax liability under Section 23701d of the California Revenue and Taxation Code. Accordingly, no provisions have been made for income taxes in these consolidated financial statements.

Accounting principles generally accepted in the United States of America require management to evaluate the tax positions taken by the Organization and to recognize a tax liability if the Organization has taken an uncertain position that, more likely than not, would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization and has concluded that, as of December 31, 2020, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the consolidated financial statements. The Organization is subject to routine audits by the taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for the fiscal years prior to 2017.

NOTE 4. CONCENTRATIONS

The Organization places its cash with financial institutions deemed to be creditworthy. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution. Deposits may at times exceed the insured deposit limits. As of December 31, 2020 and 2019, the Organization's cash deposits exceeded FDIC insurance limits by approximately \$491,000 and \$284,000, respectively.

NOTE 5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions represents funds that are donor restricted for the following:

	Balance at December 31, <u>2019</u>	Funds Received <u>During the Year</u>	Releases from <u>Restrictions</u>	Balance at December 31, <u>2020</u>
Timing restrictions				
Hellman Foundation	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ (25,000)</u>	<u>\$ -</u>

	Balance at December 31, <u>2018</u>	Funds Received <u>During the Year</u>	Releases from <u>Restrictions</u>	Balance at December 31, <u>2019</u>
Timing restrictions				
Hellman Foundation	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ (25,000)</u>	<u>\$ 25,000</u>

NOTE 6. ACCOUNTS RECEIVABLE

The balance in accounts receivable comprises the following for the years ended December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Program service and contract fee receivables	\$ 121,647	\$ 161,997
Event sponsorship and donation receivables	70,636	26,050
Contribution and grant receivables	-	54,126
Membership receivables	-	2,207
Other receivables	-	30,605
Total receivables	<u>192,283</u>	<u>274,985</u>
Less: allowance for doubtful accounts	<u>-</u>	<u>-</u>
Net accounts receivable	<u>\$ 192,283</u>	<u>\$ 274,985</u>

Charges to the allowance for doubtful accounts was not necessary for the years ended December 31, 2020 and 2019.

NOTE 7. FUNCTIONAL EXPENSES

Directly identifiable expenses are charged to programs and supporting activities. Expenses related to more than one function are charged to programs and supporting activities on the basis of periodic time and expense estimates. Management and general activities include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization. Allocated expenses are allocated based on time and effort.

NOTE 8. AVAILABILITY OF FINANCIAL ASSETS

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization's financial assets available within one year of December 31, 2020 and 2019, for general expenditures are as follows:

	December 31,	
	<u>2020</u>	<u>2019</u>
Financial assets at year-end		
Cash and cash equivalents	\$ 1,152,146	\$ 880,139
Accounts receivable, net	192,283	274,985
Subtotal	<u>1,344,429</u>	<u>1,155,124</u>
Less those unavailable for general expenditures within one year		
Net assets with donor restrictions	<u>-</u>	<u>(25,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,344,429</u>	<u>\$ 1,130,124</u>

The Organization plans and budgets the upcoming year's estimated expenses annually. The Organization holds regular fundraising events and pursues ongoing funding opportunities to further its mission. Management, including the Board of Directors, monitors budget variances on a monthly basis and makes decisions to adjust expenditures, if necessary.

NOTE 9. DEFERRED REVENUE

SFBC has deferred revenue totaling \$97,501 and \$49,757 on December 31, 2020 and 2019, respectively. Deferred revenue has been recorded for the portion of membership fees received in the current year and attributable to the next fiscal year. SFBC hosts annual events, such as Bike to Work Day, Golden Wheel Award, and Winterfest, to promote the use of bicycles for everyday transportation. Donations and sponsorships received for such events are first recorded under deferred revenue and later recognized as earned revenue when the events are held.

NOTE 10. IN-KIND SUPPORT

In-kind support received during the years 2020 and 2019 is as follows:

	<u>2020</u>	<u>2019</u>
Donated services	\$ -	\$ -
Donated meals and supplies	-	64,580
Other	-	-
Total	<u>\$ -</u>	<u>\$ 64,580</u>

NOTE 11. PROPERTY AND EQUIPMENT, NET

A summary of property and equipment consists of the following at December 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Leasehold improvements	\$ 49,485	\$ 49,485
Office furniture and equipment	21,611	14,320
Software and website	45,400	45,400
	<u>116,496</u>	<u>109,205</u>
Accumulated depreciation	(91,419)	(79,506)
	<u>\$ 25,077</u>	<u>\$ 29,699</u>

Depreciation expense for the years ended December 31, 2020 and 2019, totaled \$4,412 and \$2,496, respectively.

NOTE 12. OBLIGATION UNDER OPERATING LEASES

SFBC has non-cancellable multi-year lease agreements for its office and office equipment accounted for under operating leases expiring through July 2022. SFBC also has a one-year operating lease for building space used

NOTE 12. OBLIGATION UNDER OPERATING LEASES (CONT'D)

for its events and events supplies storage. The rental expense under these leases totaled \$176,994 and \$207,916 for the years ended December 31, 2020 and 2019, respectively. Balances of the deferred rent liability due to the incremental lease payment schedule as of December 31, 2020 and 2019, totaled \$97,501 and \$49,757, respectively.

Minimum future lease payments under non-cancellable operating leases are as follows:

Years Ending <u>December 31,</u>	
2021	\$ 175,829
2022	105,827
2023	3,657
2024	3,657
2025	3,657
Thereafter	<u>3,657</u>
Total	<u>\$ 296,284</u>

NOTE 13. LOANS PAYABLE

Economic Injury Disaster Loan (EIDL) - In June 2020, SFBC obtained an EIDL from the Small Business Administration (the SBA). The loan is secured by SFBC's personal property, such as equipment and receivables. The \$150,000 loan accrues interest at 2.75% per annum. Monthly installments of \$641 for principal and interest starting in June 2021, with the remaining unpaid principal and interest due in May 2050.

Loan payments for each of the years following December 31, 2020, are as follows:

Years Ending <u>December 31,</u>	
2021	\$ 4,487
2022	7,692
2023	7,692
2024	7,692
2025	7,692
Thereafter	<u>192,141</u>
Total	<u>\$ 227,396</u>

NOTE 13. LOANS PAYABLE (CONT'D)

Paycheck Protection Program Loan - In April 2020, the Education Fund received a loan under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act), provides low-interest loans to pay for payroll expenses and certain other costs. The principal amount of the loan is \$342,800 and is due May 2022, with interest at 1.00% per annum. As part of the CARES Act, the loan may be partially or fully forgiven if certain requirements are met. The Organization believes it used a substantial amount of the proceeds from the note for qualifying expenses and thus expects to receive approval of its application for the loan to be forgiven in the future, at which time the Organization will recognize a gain on forgiveness of the loan. The loan is considered a current liability because the Organization expects loan forgiveness within the next year.

NOTE 14. SUBSEQUENT EVENTS

Subsequent to December 31, 2020, the coronavirus pandemic (COVID-19) continued in the United States, causing major concerns both for health and safety of individuals as well as economic and business operations of companies and organizations. A reasonable estimate of the impact or potential impact of COVID-19 on the Trust as of the date of the consolidated financial statements cannot be made.

SFBC paid the EIDL in full in June 2021.

The Education Fund received an additional PPP loan of \$263,844 in 2021, due May 2027, with interest at 1.00% per annum. The loan was forgiven by the SBA in 2021.

Subsequent events were evaluated through the date on which the consolidated financial statements were available to be issued. This date is approximately the same as the independent auditors' report date.

SUPPLEMENTARY INFORMATION

SAN FRANCISCO BICYCLE COALITION AND ITS AFFILIATE

CONSOLIDATING SCHEDULE OF ASSETS, LIABILITIES AND NET ASSETS DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	SFBC	SFBC Education Fund	Eliminations	2020 Consolidated	Comparative Totals for 2019 Consolidated
ASSETS					
ASSETS					
Cash	\$ 852,811	\$ 299,335	\$ -	\$ 1,152,146	\$ 880,139
Accounts receivable, net	81,437	110,846	-	192,283	274,985
Inventory	23,470	-	-	23,470	16,996
Prepayments and deposits	42,193	-	-	42,193	42,327
Property and equipment, net	25,077	-	-	25,077	29,699
Total assets	<u>\$ 1,024,988</u>	<u>\$ 410,181</u>	<u>\$ -</u>	<u>\$ 1,435,169</u>	<u>\$ 1,244,146</u>
LIABILITIES AND NET ASSETS					
LIABILITIES					
Accounts payable	\$ 32,723	\$ -	\$ -	\$ 32,723	\$ 33,075
Accrued vacation	55,880	-	-	55,880	43,560
Loans payable	149,900	342,800	-	492,700	-
Deferred revenue	63,901	33,600	-	97,501	49,757
Deferred rent liability	19,848	-	-	19,848	30,980
Total liabilities	<u>322,252</u>	<u>376,400</u>	<u>-</u>	<u>698,652</u>	<u>157,372</u>
NET ASSETS					
Without donor restrictions	702,736	33,781	-	736,517	1,061,774
With donor restrictions	-	-	-	-	25,000
Total net assets	<u>702,736</u>	<u>33,781</u>	<u>-</u>	<u>736,517</u>	<u>1,086,774</u>
Total liabilities and net assets	<u>\$ 1,024,988</u>	<u>\$ 410,181</u>	<u>\$ -</u>	<u>\$ 1,435,169</u>	<u>\$ 1,244,146</u>

SAN FRANCISCO BICYCLE COALITION AND ITS AFFILIATE

CONSOLIDATING SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS YEAR ENDED DECEMBER 31, 2020 (WITH COMPARATIVE TOTALS FOR 2019)

	SFBC	SFBC Education Fund				2020	Comparative
	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total	Eliminations	Consolidated	Totals for 2019 Consolidated
REVENUE							
Membership dues	\$ 242,112	\$ 116,282	\$ -	\$ 116,282	\$ -	\$ 358,394	\$ 358,020
Foundation grants	10,000	214,600	-	214,600	-	224,600	173,500
Contributions	2,999	576,050	-	576,050	-	579,049	528,423
Contracts	470,341	-	-	-	-	470,341	483,176
Program fees	29,487	-	-	-	-	29,487	172,324
In-kind support	-	-	-	-	-	-	64,580
Special events	14,806	186,323	-	186,323	-	201,129	704,573
Other income	2,321	18,041	-	18,041	-	20,362	19,380
Net assets released from restrictions							
Satisfaction of donor restrictions	-	25,000	(25,000)	-	-	-	-
Total revenue	<u>772,066</u>	<u>1,136,296</u>	<u>(25,000)</u>	<u>1,111,296</u>	<u>-</u>	<u>1,883,362</u>	<u>2,503,976</u>
EXPENSES							
Program services	637,260	1,008,378	-	1,008,378	-	1,645,638	1,862,972
General and administrative	100,597	181,190	-	181,190	-	281,787	236,773
Fundraising	114,036	192,158	-	192,158	-	306,194	405,800
Total expenses	<u>851,893</u>	<u>1,381,726</u>	<u>-</u>	<u>1,381,726</u>	<u>-</u>	<u>2,233,619</u>	<u>2,505,545</u>
CHANGE IN NET ASSETS	(79,827)	(245,430)	(25,000)	(270,430)	-	(350,257)	(1,569)
NET ASSETS							
Beginning of year	782,563	279,211	25,000	304,211	-	1,086,774	1,088,343
End of year	<u>\$ 702,736</u>	<u>\$ 33,781</u>	<u>\$ -</u>	<u>\$ 33,781</u>	<u>\$ -</u>	<u>\$ 736,517</u>	<u>\$ 1,086,774</u>