
SAN FRANCISCO BICYCLE COALITION

FINANCIAL STATEMENTS

December 31, 2024

CROSBY & KANEDA

Certified Public Accountants
for Nonprofit Organizations

SAN FRANCISCO BICYCLE COALITION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
San Francisco Bicycle Coalition
San Francisco, California

Opinion

We have audited the accompanying financial statements of San Francisco Bicycle Coalition (the Organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, cash flows and functional expenses, 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 San Francisco Bicycle Coalition as of December 31, 2024, and the changes in 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 the Organization 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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. 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 the Organization'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 the Organization'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.

Crosby + Kaneda CPAs LLP

Alameda, California

August 28, 2025

SAN FRANCISCO BICYCLE COALITION

Statement of Financial Position December 31, 2024

Assets

Assets

Cash and cash equivalents	\$ 40,829
Related party receivable (Note 3)	163,597
Accounts receivable	8,065
Inventory	22,350
Prepaid expenses and deposits	56,626
Right-of-use asset - operating lease	100,878
Total Assets	<u>\$ 392,345</u>

Liabilities and Net Assets

Liabilities

Accounts payable and accrued expenses	\$ 82,299
Accrued vacation	54,943
Operating lease liability (Note 4)	107,727
Total Liabilities	<u>\$ 244,969</u>

Net Assets

Without donor restrictions	<u>147,376</u>
Total Net Assets	<u>147,376</u>
Total Liabilities and Net Assets	<u>\$ 392,345</u>

See Notes to the Financial Statements

SAN FRANCISCO BICYCLE COALITION

Statement of Activities For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Memberships	\$ 113,035	\$	\$ 113,035
Individual contributions	28,647		28,647
Foundation and business partners	3,083	8,000	11,083
Fundraising event, net (Note 6)	31,842		31,842
Government funding agreements	62,814		62,814
Bike valet, classes and other services	157,543		157,543
In-kind	5,228		5,228
Other	3,001		3,001
Support provided by expiring time and purpose restrictions	8,000	(8,000)	-
Total Support and Revenue	<u>413,193</u>	<u>-</u>	<u>413,193</u>
Expenses			
Program	148,478		148,478
Management and general	23,990		23,990
Fundraising	19,601		19,601
Total Expenses	<u>192,069</u>	<u>-</u>	<u>192,069</u>
Change in Net Assets	221,124	-	221,124
Net Assets, beginning of year	<u>(73,748)</u>	<u>-</u>	<u>(73,748)</u>
Net Assets, end of year	<u><u>\$ 147,376</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 147,376</u></u>

See Notes to the Financial Statements

SAN FRANCISCO BICYCLE COALITION

Statement of Cash Flows For the Year Ended December 31, 2024

Cash flows from operating activities:

Change in net assets	\$ 221,124
Adjustments to reconcile changes in net assets to cash provided (used) by operating activities:	
Change in assets and liabilities:	
Accounts receivable	70,168
Related party receivable	(163,597)
Inventory	3,820
Prepaid expenses, deposit and other assets	(7,338)
Operation lease assets and liability	(3,192)
Accounts payable and accrued expenses	(114,126)
Accrued vacation	335
Net cash provided (used) by operating activities	<u>7,194</u>
Change in cash and cash equivalents	7,194
Cash and cash equivalents, beginning of year	<u>33,635</u>
Cash and cash equivalents, end of year	<u>\$ 40,829</u>
Supplemental information	
Cash paid on operating lease	<u>\$ 159,156</u>

SAN FRANCISCO BICYCLE COALITION

Statement of Functional Expenses For the Year Ended December 31, 2024

	Program	Management and General	Fundraising	Total
Salaries	\$ 102,387	\$ 9,149	\$ 12,679	\$ 124,215
Other employee benefits	13,875	1,144	1,729	16,748
Payroll taxes	8,681	767	1,080	10,528
Total Personnel	<u>124,943</u>	<u>11,060</u>	<u>15,488</u>	<u>151,491</u>
Fees for service	2,622	10,234	643	13,499
Advertising and promotion	1,482	41	159	1,682
Supplies and office expenses	6,445	863	1,062	8,370
Information technology	2,833	248	334	3,415
Occupancy	7,864	730	1,585	10,179
Travel and meals	624	139	141	904
Meetings and events	125	11	-	136
Other	185	18	22	225
Insurance	1,355	646	167	2,168
Total Expenses by Function	<u>148,478</u>	<u>23,990</u>	<u>19,601</u>	<u>192,069</u>
Expenses reported on a net basis				
Direct donor benefit costs	-	-	6,645	6,645
Total Expenses	<u>\$ 148,478</u>	<u>\$ 23,990</u>	<u>\$ 26,246</u>	<u>\$ 198,714</u>

See Notes to the Financial Statements

SAN FRANCISCO BICYCLE COALITION

Notes to the Financial Statements For the Year Ended December 31, 2024

NOTE 1: NATURE OF ACTIVITIES

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. SFBC is exempt from income taxes under Internal Revenue Code Section 501(c)(4) and is governed by a Board of Directors elected by the members of the SFBC for two-year terms, with approximately half of the directors elected in each annual election.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net assets without donor restrictions – are resources available to support operations. The only limits on the use of the net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions – are resources that are restricted by a donor for use for a particular purpose or in a particular period. Some donor restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor’s instructions or when the stipulated time has passed. Other donor restrictions are perpetual in nature; there were no restrictions of this nature as of December 31, 2024.

When a donor’s restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of building or equipment (or less commonly, the contribution of those net assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Organization, unless the donor provides more specific directions about the period of its use.

Accounting for Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless the contributed assets are specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until payment is due, unless the contribution is clearly intended to support activities of the current fiscal year.

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Notes to the Financial Statements For the Year Ended December 31, 2024

Conditional promises are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Accounting for Revenue

The Organization recognizes revenue as performance obligations are satisfied. Revenue is recognized over time for cost reimbursement contracts as eligible expenses are incurred if other conditions of the contract are satisfied. Revenue from agreements that include milestones and milestone payments are recognized over time as milestones are reached. Revenue from agreements based on hourly rates is recognized over time as time is expended if the Organization expects it will have an enforceable right to payment for such amounts. Revenue is recognized based on estimated progress towards complete satisfaction of the performance obligation if the Organization can reasonably measure such progress. If the Organization's efforts are expended evenly throughout the performance period, the Organization may recognize revenue on a straight-line basis over such a period. Revenue is recognized at a point in time when goods or services are provided to customers and the Organization is not required to provide additional goods or services or if the above criteria are not met. The Organization tracks contract assets representing earned amounts that are not yet receivable separately from accounts receivable, if any. As a practical expedient the Organization disregards the effects of potential financing components if the period between payment and performance is one year or less.

Membership Contributions

Members support the Organization through membership dues, which confer voting and other rights of membership as well as discounts and access to bike boxes and trailers. The Organization determined membership benefits subject to estimation were not material to the financial statements and recognizes membership revenue when received.

Bike Valet, Classes and Other Services

Program service fees are provided on an exchange basis under contractual agreements. Revenue for events is recognized as the related performance obligations are completed, in some cases based on hourly rates, generally invoiced and paid in arrears.

Accounts Receivable

Accounts receivable are unsecured non-interest bearing receivables. The Organization uses historical loss information adjusted for management's expectations about current and future economic conditions and the aging of receivables relative to expected payment dates as the basis to determine expected credit losses. If amounts become uncollectible, they are charged to the valuation allowance for credit losses if any, with any excess amounts charged to expense in the period in which that determination is made. The Organization expects to collect all accounts receivable within one year.

Government Support

A portion of the Organization's revenue is derived from deliverables-based agreements with governmental funders which are conditioned upon performance requirements and/or the incurrence of allowable qualifying expenses. The support from these agreements is classified as conditional and revenue and related receivables are recognized as the Organization incurs eligible expenditures or satisfies the related performance obligations. Funds received in advance of expenditure are reported as deferred revenue.

SAN FRANCISCO BICYCLE COALITION

Notes to the Financial Statements For the Year Ended December 31, 2024

Contributions Receivable

Contributions receivable including pledges and grants receivable are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable that are expected to be collected in less than one year are reported at net realizable value. Contributions receivable that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue.

Income Taxes

The Internal Revenue Service and the California Franchise Tax Board have determined that the Organization is exempt from federal and state income taxes under IRC 501(c)(3) and IRC 501(c)(4) and California RTC 23701. The Organization has evaluated its current tax positions as of December 31, 2024 and is not aware of any significant uncertain tax positions for which a reserve would be necessary. The Organization's tax returns are generally subject to examination by federal and state taxing authorities for three and four years, respectively, after they are filed.

Contributed Services

Contributed services are reflected in the financial statements at the fair value of the services received only if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all money market funds and other highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Fair Value Measurements

The Organization determines the fair value of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 - Inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the assets or liability.

The Organization had no assets or liabilities recorded at fair value on December 31, 2024.

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Notes to the Financial Statements For the Year Ended December 31, 2024

Inventory

Inventory consists primarily of maps and other merchandise. The Organization reports inventory at cost, computed on a first-in, first-out basis.

Property and Equipment

Property and equipment purchased by the Organization are recorded at cost. The Organization capitalizes all expenditures for property and equipment over \$2,500; the fair value of donated fixed assets is similarly capitalized. Depreciation is computed using the straight-line method over the estimated useful lives on the property and equipment or the related lease terms as follows:

Leasehold improvements	5-7 years
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Expenditures for major renewals and betterments that extend the useful lives of the property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Management reviews long-lived assets for impairment when circumstances indicate the carrying amount of the asset may not be recoverable. Leasehold improvements of \$28,586 were fully depreciated as of year-end but continue to be in use as of December 31, 2024.

Leases

The Organization evaluates all contracts to determine if they contain a lease. For leases with terms greater than 12 months, the Organization records a right-of-use asset and lease obligation at the present value of lease payments over the term of the lease. The Organization expenses total lease costs on a straight-line basis over the related lease term. The Organization has elected to exclude leases that (a) have a lease term of 12 months or less and (b) do not contain a reasonably certain purchase option. The Organization has elected to combine non-lease components with related lease components unless non-lease components are billed separately. As the Organization's leases do not generally provide a readily determinable implicit interest rate, the Organization uses the risk-free rate commensurate with the respective terms of the leases to discount the lease payments.

Expense Recognition and Allocation

The cost of providing the Organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions using a reasonable allocation method that is consistently applied as follows:

Salaries and wages, benefits, and payroll taxes are allocated based on activity reports prepared by key personnel. Occupancy, depreciation, and amortization, and interest are allocated on a square foot basis dependent on the programs and supporting activities occupying the space. Office expenses and supplies, insurance, and other expenses that cannot be directly identified are allocated on the basis of employee headcount for each program and supporting activity. Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization. Fundraising costs are expensed as incurred, even though they may result in contributions received

in future years. The Organization generally does not conduct fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgments contain requests for contributions, joint costs have been allocated between

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Notes to the Financial Statements For the Year Ended December 31, 2024

fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred. All expenses and net losses are reported as decreases in net assets without donor restrictions.

Subsequent Events

The Organization has evaluated subsequent events and has concluded that as of August 28, 2025, the date that the financial statements were available to be issued, there were no significant subsequent events to disclose except for the matter discussed in Note 4.

NOTE 3: RELATED PARTY TRANSACTIONS

The Organization has a shared cost allocation agreement (the Agreement) with a related 501(c)(3) organization, San Francisco Bicycle Coalition Education Fund Inc. (the "Education Fund"). Under the Agreement, the Organization shares personnel services and various overhead expenses with the Education Fund. During the year ended December 31, 2024, the Organization received cash payments totaling \$1,730,000. As of December 31, 2024, \$163,597 was due from the Education Fund.

NOTE 4: OPERATING LEASE LIABILITY

The Organization leases office space under a lease that expires in August 2025. The Organization elected to use an estimated risk-free rate as the approximate discount rate for its lease liability. Future minimum lease payments were as follows for the years ended December 31, 2024:

2025	\$ 108,617
Less amounts representing interest	<u>(890)</u>
Total	<u>\$ 107,727</u>
Weighted avg lease term	.67 years
Weighted avg discount rate	2.82%

In June 2025, the Organization extended its lease for office space commencing September 1, 2025 and extending through August 31, 2030. The total payments under the lease agreement is approximately \$510,000.

NOTE 5: CONTINGENCIES

Compliance with Funder Restrictions

Funding awards require the fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors.

NOTE 6: FUNDRAISING EVENT

The Organization held a fundraising event during the year. Activities related to the events were as follows during the year ended December 31, 2024:

Admission	\$ 9,804
Donations and sponsorships	11,406
Auction receipts	17,277
Less costs of direct donor benefit	<u>(6,645)</u>
Total	<u>\$ 31,842</u>

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**Notes to the Financial Statements
For the Year Ended December 31, 2024**

NOTE 7: RETIREMENT PLAN

The Organization provides a defined contribution 401(k) retirement plan for all eligible employees. The Organization may make a discretionary matching or other contributions to the plan. Such contributions are generally available to all full-time employees. The Organization contributed \$4,084 for the year ended December 31, 2024.

NOTE 8: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2024 are:

Cash and cash equivalents	\$ 40,829
Accounts receivable	8,065
Related party receivable	<u>163,597</u>
Total	<u>\$ 212,491</u>

As part of the Organization's liquidity management plan, the Organization deposits funds in excess of daily requirements in cash and cash equivalents.