

Saskatoon Cycles Inc.

Saskatoon, Saskatchewan

UNAUDITED FINANCIAL STATEMENTS

Year Ended September 30, 2021

NOTICE TO READER

PREPARED WITHOUT AUDIT OR REVIEW

At the Annual General Meeting of November 10, 2020, the members passed a motion not to appoint an auditor, nor a person to conduct a review, of the financial statements for the fiscal year ending September 30, 2021.

This decision took into account the finances of the corporation, and was consistent with Section 149 of the Non-profit Corporations Act (SK).

The members of a membership corporation may resolve to: • appoint a person to conduct an audit or review; • waive an audit but appoint a qualified person to conduct a review; or • waive an audit and review; of the financial statements of the corporation. A resolution to waive an audit or waive an audit and review must be consented to by a majority of not less than two thirds of the members. Notice of the pending vote must be sent to all members. The resolution is only valid until the next annual meeting of the members.

Readers are cautioned that these statements may not be appropriate for their purposes.

Saskatoon, SK
October 13, 2021

Saskatoon Cycles Inc.
Statement of Financial Position

Unaudited - Notice to Reader

September 30, 2021 with prior year comparative figures

	2021	2020
Assets		
Current assets		
Cash		
Credit Union - Maximizer	\$ 17,285	\$ 14,301
Credit Union - Flex Term	19,731	19,537
Stripe account	828	818
	37,844	34,656
Accounts receivable	0	587
Prepays	200	
Inventory (note 2)	127	945
	38,170	36,188
Fixed assets, net - Bike Valet (note 3)	1,502	1,969
	\$ 39,672	\$ 38,157
Liabilities and Operating Surplus		
Current liabilities		
Accounts payable	\$ -	\$ 558
Deferred revenue	5,000	5,724
	5,000	6,283
Deferred donations (note 4)	600	749
Operating surplus		
Beginning of year	31,125	32,390
Excess (deficiency) for the year	2,948	(1,265)
	34,073	31,125
	\$ 39,672	\$ 38,157

The board of directors has approved these financial statements.

Signed:

Erin Edwards, Co-Chairperson

Gwen Charman, Treasurer

Saskatoon Cycles Inc.
Statement of Revenue and Expenditures
 Unaudited - See Notice to Reader
 For the year ended SEPTEMBER 30, 2021

	Projects, Programs and Events							General	2021 Total	2020 Total
	Bike Valet	Bike Sale and Expo	Bike to Work	Events & Workshop	Friends of Cycling	Livable YXE	AGM			
Revenue										
Donations	\$ 1,661	\$ -				\$ 724		\$ 1,850	\$ 4,236	\$ 3,126
Donations Tribute								\$ 935	\$ 935	\$ 4,710
Grants			\$ 4,500					\$ -	\$ 4,500	\$ 2,250
Wage subsidy								\$ 990	\$ 990	\$ 3,015
Interest								\$ 195	\$ 195	\$ 197
Memberships									\$ -	\$ -
Other									\$ -	\$ -
Revenue	\$ 2,200	\$ 895		\$ 80	\$ 600		\$ -	\$ 700	\$ 4,475	\$ 2,061
Sponsors									\$ -	\$ -
Total Revenue	\$ 3,861	\$ 895	\$ 4,500	\$ 80	\$ 600	\$ 724	\$ -	\$ 4,669	\$ 15,330	\$ 15,360
Expenditures										
Awards								\$ -	\$ -	\$ 100
Contracted services	\$ -		\$ 210				\$ -		\$ 210	\$ 2,250
Depreciation	\$ 467								\$ 467	\$ 622
Food and beverages							\$ -	\$ -	\$ -	\$ 888
Insurance								\$ 1,241	\$ 1,241	\$ 1,182
Memberships								\$ 150	\$ 150	\$ 150
Office								\$ 374	\$ 374	\$ 182
Processing fees				\$ -				\$ 115	\$ 115	\$ 242
Product (t-shirts, vests)								\$ 1,207	\$ 1,207	\$ 101
Professional Fees								\$ -	\$ -	\$ 315
Supplies	\$ 74	\$ 4			\$ -	\$ 655			\$ 733	\$ 171
Towing	\$ 160								\$ 160	\$ -
Wages and benefits			\$ 1,000			\$ 169		\$ 6,556	\$ 7,725	\$ 10,042
Other								\$ -	\$ -	\$ 380
Total Expenditures	\$ 701	\$ 4	\$ 1,210	\$ -	\$ -	\$ 824	\$ -	\$ 9,643	\$ 12,382	\$ 16,625
Excess (deficiency)	\$ 3,161	\$ 891	\$ 3,290	\$ 80	\$ 600	\$ (100)	\$ -	\$ (4,974)	\$ 2,948	\$ (1,265)

Saskatoon Cycles Inc.
Notes to the Financial Statements
Unaudited - See Notice to Reader
For the Year ended September 30, 2021

Saskatoon Cycles Inc. advocates for a city in which cycling is a viable, year-round, mode of transportation that is safe and convenient for all ages. The organization was registered on October 26, 2010 under *The Non-profit Corporations Act, 1995* and commenced operations at that date.

1. Significant accounting policies

The financial statements include the following significant accounting policies:

a) Revenue recognition

The organization follows the deferral method of accounting for donations and grants.

b) Capital assets

Capital assets are recorded at cost less accumulated depreciation. Depreciation is calculated using a declining balance method at the following rates:

Bike racks	20%
Trailer	30%
Equipment	30%

c) Contributed services and goods

Volunteers contribute a significant amount of time each year to the activities of the organization. Because of the difficulty of determining the fair value of these contributed services, no amount has been recognized in the financial statements.

Contributed goods are recognized in the financial statements when they are used in the normal course of operations and fair value can reasonably be determined.

2. Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined on an average cost basis. Inventory consists of reflective vests held for resale.

Saskatoon Cycles Inc.
Notes to the Financial Statements
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For the Year ended September 30, 2021

3. Capital assets

The capital assets are used in bike valet operations and consist of the following:

			2021			2020
	Cost	Accumulated depreciation	Net book value		Net book value	
Bike racks	\$ 4,730	3,738	\$ 992	\$	1,240	
Trailer	4,733	4,343	390		557	
Other equipment	2,190	2,070	120		172	
	<u>\$ 11,653</u>	<u>10,151</u>	<u>\$ 1,502</u>	<u>\$</u>	<u>1,969</u>	

4. Deferred donations

Deferred donations represent funds received for the purchase of capital assets for bike valet operations. Deferred donations for capital asset purchases are recognized as revenue on the same basis as the related assets are depreciated.

The change in the deferred donations balance for the year is as follows:

	2021		2020	
Balance, beginning of year	\$ 749.00		\$ 936.00	
Donations received	-		-	
Amounts taken into revenue	(149)		(187)	
Balance, end of year	<u>\$ 600</u>		<u>\$ 749</u>	

5. Financial Risk Management

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. Saskatoon Cycles Inc. is following health advisories and mandatory requirements from local, provincial and national health and government organizations. Its programs, including Bike Valet and Bike Sale, were significantly curtailed for the year and the financial impact on the corporation was dramatic. The future impact of the on-going pandemic is unknown.