
HUB: YOUR CYCLING CONNECTION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
MARCH 31, 2016
(Unaudited)





REVIEW ENGAGEMENT REPORT

To the Members of
HUB: Your Cycling Connection

We have reviewed the statement of financial position of HUB: Your Cycling Connection as at March 31, 2016 and the statements of operations, changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by management.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

The comparative figures were neither audited nor reviewed.

Manning Elliott LLP

Chartered Professional Accountants

Vancouver, British Columbia

August 9, 2016

HUB: YOUR CYCLING CONNECTION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2016
(Unaudited)

	2016	2015
ASSETS		
CURRENT ASSETS		
Cash and short-term investments	\$ 95,072	\$ 84,712
Accounts receivable	71,622	30,005
Prepaid expenses and deposits	14,239	1,491
	<u>180,933</u>	<u>116,208</u>
CAPITAL ASSETS (Note 3)	1,114	1,486
TOTAL ASSETS	\$ 182,047	\$ 117,694
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 5,060	\$ 3,466
Deferred revenue (Note 4)	135,444	68,104
TOTAL LIABILITIES	140,504	71,570
CONTRACTUAL OBLIGATIONS (Note 5)		
NET ASSETS	41,543	46,124
TOTAL LIABILITIES AND NET ASSETS	\$ 182,047	\$ 117,694

On behalf of the Board:

_____ Director

_____ Director



HUB: YOUR CYCLING CONNECTION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2016
(Unaudited)

	2016	2015
BALANCE, BEGINNING OF YEAR	\$ 46,124	\$ 41,509
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	(4,581)	4,615
BALANCE, END OF YEAR	\$ 41,543	\$ 46,124



HUB: YOUR CYCLING CONNECTION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2016
(Unaudited)

	2016	2015
REVENUE		
Government revenue	\$ 205,102	\$ 165,659
Private funding and donations	204,944	186,867
Regional Government	143,625	140,785
Courses and fees for service	63,941	69,095
Membership fees	54,058	58,884
Interest and expenses recovered	2,573	2,739
Merchandise and t-shirt sales	1,103	966
	675,346	624,995
EXPENSES		
PROGRAMMING		
Advertising and promotion	29,855	18,301
Event and workshop supplies	24,850	19,255
Professional fees	15,631	11,994
Travel	13,269	17,626
Insurance	6,633	6,004
Website	4,468	18,752
Licences, dues and fees	1,941	1,606
Program and project fees	1,057	35
	97,704	93,573
STAFFING		
Wages and benefits	413,294	329,883
Subcontracts	121,834	150,639
	535,128	480,522
ORGANIZATIONAL AND OVERHEAD		
Office and miscellaneous	21,354	18,728
Rent	16,895	17,308
Interest and bank charges	3,193	3,429
Telecommunications	3,180	3,016
Professional development	2,102	3,185
Amortization	371	495
Repairs and maintenance	-	124
	47,095	46,285
TOTAL EXPENSES	679,927	620,380
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	\$ (4,581)	\$ 4,615



HUB: YOUR CYCLING CONNECTION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2016
(Unaudited)

	2016	2015
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
(Deficiency) excess of revenue over expenses for the year	\$ (4,581)	\$ 4,615
Items not involving cash:		
Amortization	371	495
	(4,210)	5,110
Change in non-cash working capital items:		
Accounts receivable	(41,617)	13,740
Prepaid expenses and deposits	(12,748)	-
Accounts payable and accrued liabilities	1,595	(827)
Deferred revenue	67,340	9,774
	10,360	27,797
INVESTING ACTIVITIES		
Purchase of capital assets	-	(239)
INCREASE IN CASH AND EQUIVALENTS DURING THE YEAR	10,360	27,558
CASH AND EQUIVALENTS, BEGINNING OF YEAR	84,712	57,154
CASH AND EQUIVALENTS, END OF YEAR	\$ 95,072	\$ 84,712



HUB: YOUR CYCLING CONNECTION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016
(Unaudited)

INCORPORATION AND NATURE OF OPERATIONS

The Society was established in 1998 and was formerly the Vancouver Area Cycling Coalition. The Society strives to improve cycling through education, action and events, as increased cycling leads to healthier, happier and more connected communities. The Society leads the way in making cycling an attractive choice for everyone.

The Society is incorporated under the Society Act of British Columbia and is a registered charity for the purposes of the Income Tax Act and is accordingly exempt from income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") under Part III of the CPA Canada Handbook - Accounting. Financial statements prepared in accordance with ASNPO are also in accordance with Canadian generally accepted accounting principles ("GAAP").

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

a) Financial instruments

i) Measurement

The Society's financial instruments consist of cash and short-term investments, accounts receivable and accounts payable.

The Society initially measures all of its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Society subsequently measures all of its financial assets and liabilities at amortized cost.

ii) Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down that is determined is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of any improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations in the period in which it is determined.

b) Cash and cash equivalents

Cash and cash equivalents represent cash on hand, cash on deposit, and short-term investments.



HUB: YOUR CYCLING CONNECTION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016
(Unaudited)

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Capital assets

Capital assets are stated at cost less accumulated amortization which is recorded over the useful lives of the assets on a 25% declining balance basis, with no half-year's provision in the year of acquisition.

The Society monitors the recoverability of capital assets based on its long-term service potential. When a capital asset no longer has any long-term service potential to the Society, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs recognized under this policy are not reversed.

d) Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

All other revenue is recorded on an accrual basis and when collection is reasonably assured.

Deferred revenue represents funding received in the current year that is designated for the following year.

e) Contributed materials

The Society records contributed goods at their fair market value where that value can be reasonably estimated and the goods would normally be purchased by the Society. No donated materials have been recorded in the current year (2015 - \$Nil).

f) Contributed services

Volunteers contribute during the year to assist the Society in carrying out its service delivery activities. Due to the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

g) Use of estimates

The preparation of the financial statements in conformity of Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses as at the end of or during the reporting period. Management believes the estimates used are reasonable and prudent, however, actual results could differ from those estimates. Significant areas requiring the use of management estimates relate to the determination of useful lives of assets for calculating amortization, recognition of revenue and expenses and the amounts recorded as accrued liabilities.

2. FINANCIAL INSTRUMENTS RISKS

The Society's financial instruments are described in Note 1(a). In management's opinion, the Society is not exposed to significant credit, currency, liquidity, interest rate or other market risks arising from these financial instruments and there has been no change in the risk exposures from the prior year.



HUB: YOUR CYCLING CONNECTION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016
(Unaudited)

3. CAPITAL ASSETS

			2016		2015	
	Cost	Accumulated Amortization	Net Book Value		Net Book Value	
Office furniture and equipment	\$ 2,318	\$ 1,448	\$ 870	\$	1,160	
Promotional display	874	655	219		292	
Bike trailer	191	166	25		34	
	\$ 3,383	\$ 2,269	\$ 1,114	\$	1,486	

4. DEFERRED REVENUE

Deferred revenue represents funding received in advance to be spent in future years and is comprised of the following:

	2016		2015	
Regional Government	\$	20,500	\$	27,166
Private funding and donations		99,944		32,282
Vancouver Foundation		15,000		8,656
	\$	135,444	\$	68,104

5. CONTRACTUAL OBLIGATIONS

The Society leases its premises under a lease expiring on March 31, 2017. Future minimum lease payments total \$17,952.

6. ECONOMIC DEPENDENCE

The Society is economically dependent on government and private funding.

