Velo NB

Financial Statements

December 31, 2023

(Unaudited - see Compilation Engagement Report)

Velo NB

December 31, 2023

(Unaudited - see Compilation Engagement Report)

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Corey & Company

Corey & Company
Chartered Professional Accountants

Compilation Engagement Report

To Members of Velo NB

On the basis of information provided by management, we have compiled the statement of financial position of Velo NB as at December 31, 2023, the statement of operations and net assets for the year then ended, and (Note 1), which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Corey & Company
Chartered Professional Accountants

Fredericton, NB
September 04, 2024

Velo NB

Statement of Financial Position

December 31, 2023

(Unaudited - see Compilation Engagement Report)

	2023	2022
Assets		
Current assets		
Cash	$ 121,288	$ 121,365
Term deposits	25,152	-
Accounts receivable	930	9,390
Total Current Assets	147,370	130,755
Property, plant and equipment (Note 2)	11,855	-
Total Assets	$ 159,225	$ 130,755
Liabilities and Net Assets		
Current liabilities		
Accounts payable	$ 15,308	$ 2,949
Deferred revenue	5,000	34,984
Total Current Liabilities	20,308	37,933
Deferred capital contributions (Note 3)	9,000	-
Total Liabilities	29,308	37,933
Net Assets		
Surplus	129,917	92,822
Total Net Assets	129,917	92,822
Total Liabilities and Net Assets	$ 159,225	$ 130,755

Approved on Behalf of the Board:

_____,

_____,

Velo NB

Statement of Operations and Net Assets

For the Year Ended December 31, 2023

(Unaudited - see Compilation Engagement Report)

	2023	2022
Revenue		
Dues, fees and licenses	$ 19,427	$ 22,737
Events and races	66,800	20,775
Grants and subsidies	81,984	26,921
Insurance revenue	890	4,831
Other revenue	1,500	-
Sponsorship	7,177	-
Total revenue	177,778	75,264
Expenses		
Advertising	7,177	29
Amortization of tangible assets	317	-
Event fees	55,391	20,459
Insurance	26,535	23,569
Interest and bank charges	144	98
Memberships and licences	5,868	19,757
Office expenses	5,094	975
Professional fees	2,075	2,600
Salaries and wages	24,354	14,977
Training	8,474	11,612
Travel expenses	5,406	2,233
Total operating expenses	140,835	96,309
Excess revenues over expenses (expenses over revenues) from operations	36,943	(21,045)
Interest income	152	-
Excess revenues over expenses (expenses over revenues)	37,095	(21,045)
Net Assets - beginning	92,822	113,867
Net Assets - ending	$ 129,917	$ 92,822

Velo NB

Notes to the Financial Statements

For the Year Ended December 31, 2023

(Unaudited - see Compilation Engagement Report)

(Note 1) Significant Accounting Policies

(a) Nature of business/basis of preparation

Velo NB (the organization) was incorporated under the *New Brunswick Companies Act* without capital stock on March 20, 1992. The Organization is engaged in promoting safe and applicable (updated) cycling legislation (starting with Ellen's Law) for New Brunswick roadways; advocating for improved and safer cycling infrastructure including (but not limited to) bike lanes, road design, bike paths and bike parking using an integrated and holistic approach as a best practice on a provincial level; raising public awareness specific to the positive health, economic and environmental benefits of recreational cycling.

Velo NB is responsible to promote the sport of cycling in New Brunswick, to be the official representative in New Brunswick of Cycling Canada, to sanction bicycling-related events in New Brunswick, and authorize and administer rules governing such events.

Velo NB represents the full range of disciplines including Road, Track, Cyclo-cross, Mountain Biking, BMX and Para-cycling. Velo NB provides opportunities and support for cyclists, athletes, coaches, and commissaires. We do this through athlete development, competitions, and collaboration with all types of stakeholders focusing on the growth and safety of our sport.

The basis of accounting applied in the preparation of the statement of financial position of the organization as at December 31, 2023 and the statements of operations and net assets for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable less allowance for doubtful accounts
- accounts payable and accrued liabilities
- deferred revenue
- and other specific policies listed below.

(Note 1) Significant Accounting Policies

(b) Property, plant and equipment

Property, plant and equipment is recorded at cost. Depreciation is provided for using the declining balance method over the estimated useful lives as follows for the major classes of assets:

	Rate
Furniture and equipment	20 %

(c) Income taxes

Velo NB is a not-for-profit organization under the *Income Tax Act* and therefore is not subject to either federal or provincial income taxes.

(d) Revenue recognition

The organization recognizes revenue for services at the time the services are provided.

Profit is recorded when the collection of the sale proceeds is reasonably assured.

(e) Government assistance

The organization receives grants from the provincial government to fund operations. These grants are reflected as deferred revenue in the attached statement of financial position until the terms of the grant are met. At that time, the grants are reflected in the statement of operations and net assets as revenue for the fiscal period.

The organization receives grants from the provincial government to fund property, plant and equipment. These grants are reflected as deferred capital contributions on the statement of financial position and are amortized at the same rate as the associated assets and are included in amortization expense in the statement of operations and net assets as a reduction of the expense for the fiscal period.

Velo NB

Notes to the Financial Statements

For the Year Ended December 31, 2023

(Unaudited - see Compilation Engagement Report)

(Note 2) Property, plant and equipment

Property, plant and equipment consist of the following:

			2023	2022
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Furniture and equipment	$ 13,172	$ 1,317	$ 11,855	$ -
Total	$ 13,172	$ 1,317	$ 11,855	$ -

(Note 3) Deferred capital contributions

The company has received grants received from the provincial government, to assist in the purchase of property, plant and equipment, which are being amortized to income at the same rate as the associated assets purchased. Deferred capital contribution activity consists of:

	2023	2022
Deferred capital contributions - beginning of period	$ -	$ -
New grants received	10,000	-
Amortization of deferred contributions	(1,000)	-
Deferred capital contributions - end of period	$ 9,000	$ -