

**ACTIVE TRANSPORTATION ALLIANCE
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2019 AND 2018

**ACTIVE TRANSPORTATION ALLIANCE
AND SUBSIDIARIES
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September 30, 2019 and 2018**

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WSDD

WSDD CPAs, Ltd. Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

Board of Directors
ACTIVE TRANSPORTATION ALLIANCE
AND SUBSIDIARIES
Chicago, Illinois

We have audited the accompanying consolidated financial statements of ACTIVE TRANSPORTATION ALLIANCE AND SUBSIDIARIES (nonprofit organizations), which comprise the consolidated statements of financial position as of September 30, 2019 and 2018, and the related consolidated statements of activities, cash flows and 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; this 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.

Auditor's 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 audit 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 auditor's 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 auditor considers 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 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 ACTIVE TRANSPORTATION ALLIANCE AND SUBSIDIARIES as of September 30, 2019 and 2018, 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 as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates 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 audit 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, such information is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

WSDD CPAs, Ltd.

WSDD CPAs, Ltd.

Chicago, Illinois
August 12, 2020

**ACTIVE TRANSPORTATION ALLIANCE
AND SUBSIDIARIES**
Consolidated Statements of Financial Position
September 30, 2019 and 2018

ASSETS	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,036,877	\$ 872,939
Active Transportation Alliance Fund money market fund	100,836	100,594
Accounts, grants, contracts and pledges receivable net of allowance for doubtful accounts of \$0 in 2019 and \$10,000 in 2018	105,689	324,460
Inventory	8,822	8,822
Prepaid expenses	24,956	12,521
Deposits	<u>7,990</u>	<u>7,990</u>
Total Current Assets	<u>1,285,170</u>	<u>1,327,326</u>
PROPERTY AND EQUIPMENT		
Furniture and equipment	60,254	56,485
Less: Accumulated depreciation	<u>(49,518)</u>	<u>(43,454)</u>
Net Property and Equipment	<u>10,736</u>	<u>13,031</u>
TOTAL ASSETS	<u>\$ 1,295,906</u>	<u>\$ 1,340,357</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 26,922	\$ 61,570
Accrued payroll, payroll taxes, benefits and vacations	92,741	94,069
Funds held as fiscal agent	<u>3,362</u>	<u>3,212</u>
Total Current Liabilities	<u>123,025</u>	<u>158,851</u>
NET ASSETS		
Without donor restrictions	1,081,006	1,082,889
With donor restrictions	<u>91,875</u>	<u>98,617</u>
Total Net Assets	<u>1,172,881</u>	<u>1,181,506</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,295,906</u>	<u>\$ 1,340,357</u>

**ACTIVE TRANSPORTATION ALLIANCE
AND SUBSIDIARIES**
Consolidated Statements of Activities
For the Years Ended September 30, 2019 and 2018

	2019			2018		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE						
Support:						
Contract revenue	\$ 334,842	\$	\$ 334,842	\$ 382,084	\$	\$ 382,084
Contributions	575,176		575,176	485,161		485,161
Grants	173,125	91,875	265,000	366,470	98,617	465,087
Donated goods and services	235,236		235,236	213,581		213,581
Total Support	<u>1,318,379</u>	<u>91,875</u>	<u>1,410,254</u>	<u>1,447,296</u>	<u>98,617</u>	<u>1,545,913</u>
Revenue:						
Membership dues	114,756		114,756	97,396		97,396
Program events	1,162,514		1,162,514	1,289,302		1,289,302
Sales of merchandise	80,015		80,015	72,830		72,830
Interest and dividend income	8,573		8,573	2,506		2,506
Other	6,342		6,342	9,943		9,943
Net assets released from restriction	98,617	(98,617)		94,583	(94,583)	
Total Revenue	<u>1,470,817</u>	<u>(98,617)</u>	<u>1,372,200</u>	<u>1,566,560</u>	<u>(94,583)</u>	<u>1,471,977</u>
TOTAL SUPPORT AND REVENUE	<u>2,789,196</u>	<u>(6,742)</u>	<u>2,782,454</u>	<u>3,013,856</u>	<u>4,034</u>	<u>3,017,890</u>
EXPENSES						
Program	2,196,085		2,196,085	2,428,187		2,428,187
Management and general	482,886		482,886	358,627		358,627
Fundraising	112,108		112,108	89,618		89,618
Total Expenses	<u>2,791,079</u>		<u>2,791,079</u>	<u>2,876,432</u>		<u>2,876,432</u>
CHANGE IN NET ASSETS	(1,883)	(6,742)	(8,625)	137,424	4,034	141,458
NET ASSETS - BEGINNING OF YEAR	<u>1,082,889</u>	<u>98,617</u>	<u>1,181,506</u>	<u>945,465</u>	<u>94,583</u>	<u>1,040,048</u>
NET ASSETS - END OF YEAR	<u>\$ 1,081,006</u>	<u>\$ 91,875</u>	<u>\$ 1,172,881</u>	<u>\$ 1,082,889</u>	<u>\$ 98,617</u>	<u>\$ 1,181,506</u>

See independent auditors' report and notes to the consolidated financial statements.

**ACTIVE TRANSPORTATION ALLIANCE
AND SUBSIDIARIES**
Consolidated Statement of Functional Expenses
For the Year Ended September 30, 2019 (With Comparative Totals for 2018)

	PROGRAM	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL	
				2019	2018
Salaries and wages	\$ 1,056,611	\$ 192,571	\$ 87,147	\$ 1,336,329	\$ 1,294,978
Payroll taxes	78,334	18,355	2,753	99,442	92,931
Employee benefits	122,162	30,745	4,612	157,519	135,259
Programs and events	647,152		2,588	649,740	602,971
Professional services	62,591	51,904		114,495	122,155
Contract expense	105			105	158,944
Supplies and office expense	20,837	19,393	1,287	41,517	27,490
Database fees	525	36,812		37,337	71,769
Computer supplies and software	9,235	34,950		44,185	29,186
Occupancy	86,284	22,411	3,362	112,057	106,898
Telephone and internet	5,035	1,308	196	6,539	3,979
Insurance	18,800	31,207		50,007	46,371
Printing	42,470	399	9,532	52,401	42,167
Postage	26,999	5,390		32,389	41,650
Travel and meetings	11,916	32,172	399	44,487	24,290
Bad debts					33,673
Office move					17,566
Miscellaneous	2,360	4,056	50	6,466	9,114
Depreciation	4,669	1,213	182	6,064	15,041
Total Expenses - 2019	<u>\$ 2,196,085</u>	<u>\$ 482,886</u>	<u>\$ 112,108</u>	<u>\$ 2,791,079</u>	
Total Expenses - 2018	<u>\$ 2,428,187</u>	<u>\$ 358,627</u>	<u>\$ 89,618</u>		<u>\$ 2,876,432</u>

**ACTIVE TRANSPORTATION ALLIANCE
AND SUBSIDIARIES**
Consolidated Statements of Cash Flows
For the Years Ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS OPERATING ACTIVITIES		
Change in net assets	\$ (8,625)	\$ 141,458
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities</i>		
Depreciation	6,064	15,041
Bad debts		33,673
Realized (gain) on investments		(2,154)
<i>Increase (decrease) in cash due to changes in:</i>		
Accounts, grants and pledges receivable	218,771	474,263
Change in inventory		8,823
Prepaid expenses	(12,435)	907
Deposits		10,000
Accounts payable and accrued expenses	(34,648)	(20,570)
Accrued payroll, payroll taxes, benefits and vacations	(1,328)	(18,315)
Funds held as fiscal agent	150	(116)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>167,949</u>	<u>643,010</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments		13,207
Donation of equity investments		(4,783)
Net change in money market fund	(242)	(347)
Purchase of equipment	(3,769)	(10,093)
NET CASH (USED) BY INVESTING ACTIVITIES	<u>(4,011)</u>	<u>(2,016)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	163,938	640,994
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>872,939</u>	<u>231,945</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,036,877</u>	<u>\$ 872,939</u>

ACTIVE TRANSPORTATION ALLIANCE AND SUBSIDIARIES
Notes to Consolidated Financial Statements
September 30, 2019 and 2018

NOTE 1 - DESCRIPTION OF ORGANIZATION

The mission of Active Transportation Alliance ("ATA") is to make bicycling, walking and public transit so safe, convenient and fun that residents of the Chicago area will achieve a significant shift from environmentally harmful, sedentary travel to clean, active travel. For over 30 years, ATA has advocated for transportation that encourages and promotes safety, physical activity, health, recreation, social interaction, equity, environmental stewardship, and resource conservation. ATA has developed a strategic plan that outlines a 20-year vision for a more livable region in which half of all trips are made by walking, biking or transit, with half as many traffic crashes.

Active Transportation Alliance was incorporated in 1985 as an Illinois not-for-profit corporation as the Chicagoland Bicycle Federation, an all-volunteer organization of bicyclists who sought to promote bicycling and fight for the safety of bicyclists on the road. Along the way, ATA attracted members, donors, and political allies through years of respected work in bicycle safety, planning, and promotion. Since 1999, more than \$100 million worth of trails, bike lanes, bike racks and other projects became a reality because ATA was helping, asking, training and working. In 2008, ATA introduced a new brand and expanded mission statement to include advocating for pedestrians and transit users, and officially changed its name to Active Transportation Alliance.

The major programs of ATA are as follows:

Movement Building

The purpose of these programs is to demonstrate active transportation through events and activities.

Safety and Encouragement

The purpose of these programs and campaigns is to reduce bicycle and pedestrian crashes and injuries and increase active transportation.

World Class Network

The purpose of these programs is to enhance the size, safety, and convenience of the linear network through infrastructure improvement.

During May 2015, ATA incorporated Walk Bike Go ("WBG"), a related organization resulting from common control. In August 2015, notification was received from the Internal Revenue Service that Walk Bike Go was recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code. Walk Bike Go will focus on fee-for-service work while also exploring innovative mission-aligned partnerships and ventures, helping to amplify ATA's goals of creating communities that are healthy, vibrant and environmentally friendly through better biking, walking and transit.

NOTE 1 - DESCRIPTION OF ORGANIZATION Continued)

During June 2018, ATA incorporated Active Transportation Now (“ATN”), a related organization resulting from common control. In April 2020, notification was received from the Internal Revenue Service that ATN was recognized as tax exempt under Section 501(c)(4) of the Internal Revenue Code. ATN will advocate for walking, bicycling and public transit in order to create healthy, sustainable and equitable communities.

During the year ended September 30, 2016, ATA partnered with The Advise Us Fund, a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code. This partnership is intended to support ATA in its future development and planned giving efforts. In June 2016, ATA purchased a money market fund in the amount of \$100,000 to establish a charity fund with The Advise Us Fund, known as the Active Transportation Alliance Fund. ATA reserves the right to direct the investment of the Active Transportation Alliance Fund and maintains control over the use of the funds.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Consolidated Financial Statements

The accompanying consolidated financial statements reflect the consolidation of ATA, WBG and ATN (collectively, “ATA” or the “Organization”). All material inter-organizational accounts and transactions have been eliminated during consolidation.

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. These consolidated financial statements have been prepared to focus on the organizations as a whole.

Basis of Presentation

Net assets and revenue, expenses, and gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available for use in general operations and are not subject to donor-imposed restrictions.

Net Assets With Donor Restrictions

Net assets with donor restrictions are subject to donor-imposed restrictions that either expire by passage of time, can be fulfilled and removed by actions of the Organization or must be maintained permanently by the Organization.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

All contributions and non-governmental grants are considered to be net assets without donor restrictions unless specifically restricted by the donor for specific purposes. Amounts that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Restricted contributions received and spent in the same year are treated as unrestricted support.

Support, Revenue and Accounts Receivable

The Organization receives grant and contract support from various Federal, State and Local governmental units, as well as individuals, foundations, and corporations. Support received from those grants and contracts is recognized based on their contract length, or by other contract provisions of the specific contract. When net assets with donor restrictions are reclassified to net assets without donor restrictions, those net assets are reported in the statement of activities as net assets released from restrictions.

Accounts receivable are presented on the statement of financial position net of estimated uncollectible amounts. The Organization records an allowance for doubtful accounts in an amount approximating anticipated losses. Individual uncollectible accounts are written off against the allowance when collection of the individual accounts appears doubtful. Individual uncollectible accounts are included in the statement of functional expense as bad debts and amounted to \$0 and \$33,673 during the years ended September 30, 2019 and 2018, respectively. The Organization recorded an allowance for doubtful accounts of \$0 and \$10,000 as of September 30, 2019 and 2018, respectively.

Membership Dues

Revenue from membership dues is recognized when received.

Use of Estimates

The preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and operations, and the related disclosures at the date of the consolidated financial statements and during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include all highly liquid investments purchased with an original maturity of three months or less.

Promises to Give

Unconditional promises to give are recognized as revenue in the period the promise is received. Promises to give are recorded at net realizable value if they are expected to be collected in one year and at fair value if they are expected to be collected in more than one year.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are recorded at cost. Donations for property and equipment are recorded as support at their estimated fair value. Such donations are reported as net assets without donor restrictions support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as net assets with donor restrictions support. All property and equipment are depreciated using the straight-line method over the useful lives of the assets.

The Organization capitalizes those assets of \$1,000 or more with an estimated useful life greater than one year. Depreciation is calculated using the straight-line method, over periods of 3 to 5 years. Depreciation for the years ended September 30, 2019 and 2018 amounted to \$6,064 and \$15,041, respectively.

Compensated Absences

Compensated absences consist of accumulated unused vacation days. The total compensated absences at September 30, 2019 and 2018, amounted to \$31,233 and \$35,512, respectively.

Advertising Costs

The Organization expenses all advertising costs in the period incurred.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. Direct expenses are charged to the related program. Indirect expenses are allocated to each program in proportion to the services provided.

Donated Services and In-Kind Contributions

The organizations receive donations of professional services, advertising, meeting room space, food and beverage, and raffle prizes. The estimated value of these donations amounted to \$235,236 and \$213,581 for the years ended September 30, 2019 and 2018, respectively. The value of these donated services and materials are recognized as revenues and expenses in the statement of activities. Additionally, individuals volunteer their time and perform a variety of services that do not meet the criteria for recognition as contributed services.

Long Lived Assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the assets' carrying amount over the fair value of the asset. Fair value is based on market quotes, if available, or is based on valuation techniques. There were no impairment losses recognized during the years ended September 30, 2019 and 2018.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Change in Accounting Principle

On August 18, 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. We have implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly. The ASU has been applied to all periods presented which resulted in no change to net assets.

Reclassification

Certain reclassifications have been made to the 2018 financial statements to conform to the 2019 presentation.

NOTE 3 - BANK LINE OF CREDIT

ATA has a line of credit with a bank which provides borrowings up to \$200,000 with no stated maturity date. Advances bear interest at bank's Prime rate plus 1% and are secured by all ATA assets. The credit line was not drawn down as of September 30, 2019 or 2018.

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

At September 30, 2019 and 2018, the Organization recorded \$91,875 and \$98,617, respectively, in net assets with donor restrictions, which consisted of the following purpose or timing restrictions:

	<u>2019</u>	<u>2018</u>
Back on the Bus	\$ 57,500	\$ 18,200
Trail Connect Chicagoland	14,167	15,000
Chicago River Initiatives	3,333	11,667
Timing	<u>16,875</u>	<u>53,750</u>
	<u>\$ 91,875</u>	<u>\$ 98,617</u>

NOTE 5 - LEASE COMMITMENTS

The Organization entered into a lease for approximately 3,835 square feet of office facilities at 35 E. Wacker Dr., Chicago, IL. The lease is effective November 1, 2017 and originally expired on October 31, 2020. In November 2019, the Organization agreed to a lease extension, which expires on October 31, 2025. The monthly lease payments over the term range from \$7,990 to \$9,268.

NOTE 5 - LEASE COMMITMENTS (Continued)

Future minimum fiscal year payments under this lease are as follows:

2020	\$ 99,550
2021	77,339
2022	105,303
2023	107,220
2024	109,138
Thereafter	<u>120,323</u>
	<u>\$ 618,873</u>

Rent expense amounted to \$97,853 and \$97,502 for the years ended September 30, 2019 and 2018, respectively.

NOTE 6 - INCOME TAXES AND UNCERTAIN TAX POSITIONS

ATA and WBG are tax-exempt entities under Sections 501(c)(3) of the Internal Revenue Code and ATN is tax-exempt under Section 501(c)(4) of the Internal Revenue Code. As such, these entities are generally exempt from income tax except for any unrelated business taxable income (UBIT). ATA and WBG qualify for charitable contribution deductions under Section 170(b)(1)(iii) and have been classified as organizations that are not a private foundation under Section 509(a)(1).

Accounting standards provide guidance for how certain tax positions should be recognized, measured, disclosed and presented in the consolidated financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing Organization's returns to determine whether the tax positions are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit and asset or expense and liability in the current year. The Organization files returns in the U.S. federal and Illinois state jurisdictions. The Organization is no longer subject to U.S. federal and state examinations by tax authorities for years before September 2016. As of and for the year ended September 30, 2019, management has determined that there are no uncertain tax positions.

NOTE 7 - RETIREMENT PLAN

Effective January 1, 2008 (amended April 15, 2015), the Organization adopted a 401(k) retirement plan available to all employees. The Organization, at its discretion, may make an elective contribution to each employee's account, based on a percentage of the employee's salary. Employer contributions vest to the employee at a rate of 25% per year commencing in year one, with full vesting after four years of service. Forfeited contributions will reduce the Organization's contribution to the plan. Contributions made to the plan amounted to \$19,300 and \$12,945 during the years ended September 30, 2019 and 2018, respectively.

NOTE 8 - CONCENTRATION OF RISK

The Organization has concentrated its credit risk for cash by maintaining deposits in a financial institution which may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). The Organization not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

NOTE 9 - LIQUIDITY AND AVAILABILTY OF RESOURCES

The Organization's financial assets available within one year of the statements of financial position date for general expenditure are as follows:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$1,036,877	\$ 872,939
Active Transportation Alliance Fund money market fund	100,836	100,594
Accounts, grants, contracts and pledges receivable - net	<u>112,676</u>	<u>324,460</u>
Total Financial Assets Available Within One Year	1,250,389	1,297,993
Less:		
Amounts unavailable for general expenditures within one year due to:		
Time or purpose restricted	<u>91,875</u>	<u>98,617</u>
Total Financial Assets Available to Management for General Expenditure Within One Year	<u>\$1,158,514</u>	<u>\$1,199,376</u>

NOTE 10 - NEW ACCOUNTING STANDARDS UPDATE

In June 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The new guidance provides a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction. It also provides additional guidance on how to determine if a contribution is conditional. The new standard will be effective for the Organization's year ending September 30, 2020. Early adoption is permitted

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which will supersede the current lease recording requirements in Topic 842. The ASU looks to increase transparency and comparability by conforming US GAAP with International Accounting Standards as it relates to leases. The new standard will require that all leases, including operating leases, be included on the balance sheet as a "right of use" asset with an offsetting liability for the payments remaining on the lease. The new standard will be effective for the Organization's year ending September 30, 2023. Early adoption is permitted.

Management is evaluating the effects of these pronouncements on its financial statements.

NOTE 11 - SUBSEQUENT EVENTS

The COVID-19 outbreak in the United States may cause significant disruption to operations and program events, such as the cancellation of Bike the Drive in May 2020. While the disruption is currently expected to be temporary, there is considerable uncertainty around its duration. The related financial impact and duration cannot be reasonably estimated at this time. Subsequent to year end, the Organization applied for and was approved for a \$319,100 loan under the Paycheck Protection Program created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration. The loan accrues interest at 1%, but payments are not required to begin for six months after the funding of the loan. The Organization is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The loan is uncollateralized and is fully guaranteed by the Federal government.

The date through which events occurring after September 30, 2019 have been evaluated for possible adjustment to the consolidated financial statements or disclosure is August 12, 2020, which is the date on which the consolidated financial statements were available to be issued.

**ACTIVE TRANSPORTATION ALLIANCE
AND SUBSIDIARIES**
Consolidating Statement of Financial Position
September 30, 2019 (With Comparative Totals for 2018)

	ASSETS				CONSOLIDATED TOTALS	
	<u>ATA</u>	<u>WBG</u>	<u>ATN</u>	<u>ELIMINATIONS</u>	<u>2019</u>	<u>2018</u>
	CURRENT ASSETS					
Cash and cash equivalents	\$ 477,421	\$ 526,319	\$ 33,137	\$	\$ 1,036,877	\$ 872,939
Active Transportation Alliance Fund money market fund	100,836				100,836	100,594
Accounts, grants, contracts and pledges receivable net of allowance for doubtful accounts of \$0 in 2019 and \$10,000 in 2018	61,174	44,515			105,689	324,460
Inventory	8,822				8,822	8,822
Prepaid expenses	24,956				24,956	12,521
Deposits	7,990				7,990	7,990
Due from WBG and ATN - related parties	592,937			(592,937)		
Total Current Assets	<u>1,274,136</u>	<u>570,834</u>	<u>33,137</u>	<u>(592,937)</u>	<u>1,285,170</u>	<u>1,327,326</u>
PROPERTY AND EQUIPMENT						
Furniture and equipment	60,254				60,254	56,485
Less: Accumulated depreciation	(49,518)				(49,518)	(43,454)
Net Property and Equipment	<u>10,736</u>				<u>10,736</u>	<u>13,031</u>
TOTAL ASSETS	<u>\$ 1,284,872</u>	<u>\$ 570,834</u>	<u>\$ 33,137</u>	<u>\$ (592,937)</u>	<u>\$ 1,295,906</u>	<u>\$ 1,340,357</u>
	LIABILITIES AND NET ASSETS					
LIABILITIES						
Accounts payable and accrued expenses	\$ 26,922	\$	\$	\$	\$ 26,922	\$ 61,570
Accrued payroll, payroll taxes, benefits and vacations	92,741				92,741	94,069
Funds held as fiscal agent	3,362				3,362	3,212
Due to ATA - related party		570,834	22,103	(592,937)		
Total Liabilities	<u>123,025</u>	<u>570,834</u>	<u>22,103</u>	<u>(592,937)</u>	<u>123,025</u>	<u>158,851</u>
NET ASSETS						
Without donor restrictions	1,069,972		11,034		1,081,006	1,082,889
With donor restrictions	91,875				91,875	98,617
Total Net Assets	<u>1,161,847</u>		<u>11,034</u>		<u>1,172,881</u>	<u>1,181,506</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,284,872</u>	<u>\$ 570,834</u>	<u>\$ 33,137</u>	<u>\$ (592,937)</u>	<u>\$ 1,295,906</u>	<u>\$ 1,340,357</u>

See independent auditors' report and notes to the consolidated financial statements.

**ACTIVE TRANSPORTATION ALLIANCE
AND SUBSIDIARIES**
Consolidating Statement of Activities
For the Year Ended September 30, 2019 (With Comparative Totals for 2018)

	ATA		WBG		ATN		CONSOLIDATED TOTALS	
	WITHOUT DONOR RESTRICTION	WITH DONOR RESTRICTION	WITHOUT DONOR RESTRICTION	WITHOUT DONOR RESTRICTION	WITHOUT DONOR RESTRICTION	ELIMINATIONS	2019	2018
SUPPORT AND REVENUE								
Support:								
Contract revenue	\$ 112,487	\$	\$ 222,355	\$	\$ 50,000	\$	\$ 334,842	\$ 382,084
Contributions	525,176						575,176	485,161
Grants	173,125	91,875					265,000	465,087
Donated goods and services	235,236						235,236	213,581
Total Support	<u>1,046,024</u>	<u>91,875</u>	<u>222,355</u>	<u>50,000</u>			<u>1,410,254</u>	<u>1,545,913</u>
Revenue:								
Membership dues	114,756						114,756	97,396
Program events	1,162,514						1,162,514	1,289,302
Management fees	103,458				(103,458)			
Sales of merchandise	80,015						80,015	72,830
Interest and dividend income	8,573						8,573	2,506
Other	6,342						6,342	9,943
Net assets released from restriction	98,617	(98,617)						
Total Revenue	<u>1,574,275</u>	<u>(98,617)</u>	<u></u>	<u></u>	<u>(103,458)</u>		<u>1,372,200</u>	<u>1,471,977</u>
TOTAL SUPPORT AND REVENUE	<u>2,620,299</u>	<u>(6,742)</u>	<u>222,355</u>	<u>50,000</u>	<u>(103,458)</u>		<u>2,782,454</u>	<u>3,017,890</u>
EXPENSES								
Program	2,038,222		222,355	38,966	(103,458)		2,196,085	2,428,187
Management and general	482,886						482,886	358,627
Fundraising	112,108						112,108	89,618
Total Expenses	<u>2,633,216</u>		<u>222,355</u>	<u>38,966</u>	<u>(103,458)</u>		<u>2,791,079</u>	<u>2,876,432</u>
CHANGE IN NET ASSETS	(12,917)	(6,742)		11,034			(8,625)	141,458
NET ASSETS - BEGINNING OF YEAR	<u>1,082,889</u>	<u>98,617</u>					<u>1,181,506</u>	<u>1,040,048</u>
NET ASSETS - END OF YEAR	<u>\$ 1,069,972</u>	<u>\$ 91,875</u>	<u>\$</u>	<u>\$ 11,034</u>	<u>\$</u>		<u>\$ 1,172,881</u>	<u>\$ 1,181,506</u>

See independent auditors' report and notes to the consolidated financial statements.

**ACTIVE TRANSPORTATION ALLIANCE
AND SUBSIDIARIES**
Consolidating Statement of Functional Expenses
For the Year Ended September 30, 2019 (With Comparative Totals for 2018)

	ATA			TOTAL	WBG		ATN		CONSOLIDATED TOTALS	
	PROGRAM	MANAGEMENT AND GENERAL	FUNDRAISING		PROGRAM	PROGRAM	ELIMINATIONS	2019	2018	
Salaries and wages	\$ 917,422	\$ 192,571	\$ 87,147	\$ 1,197,140	\$ 107,442	\$ 31,747	\$	\$ 1,336,329	\$ 1,294,978	
Payroll taxes	70,665	18,355	2,753	91,773	6,114	1,555		99,442	92,931	
Employee benefits	118,370	30,745	4,612	153,727	3,258	534		157,519	135,259	
Programs and events	647,152		2,588	649,740				649,740	602,971	
Professional services	57,882	51,904		109,786		4,709		114,495	122,155	
Contract expense	105			105	103,458		(103,458)	105	158,944	
Supplies and office expense	20,656	19,393	1,287	41,336	91	90		41,517	27,490	
Database fees	525	36,812		37,337				37,337	71,769	
Computer supplies and software	9,053	34,950		44,003	182			44,185	29,186	
Occupancy	86,284	22,411	3,362	112,057				112,057	106,898	
Telephone and internet	5,035	1,308	196	6,539				6,539	3,979	
Insurance	17,435	31,207		48,642	1,365			50,007	46,371	
Printing	42,139	399	9,532	52,070		331		52,401	42,167	
Postage	26,999	5,390		32,389				32,389	41,650	
Travel and meetings	11,916	32,172	399	44,487				44,487	24,290	
Bad debts									33,673	
Office move									17,566	
Miscellaneous	1,915	4,056	50	6,021	445			6,466	9,114	
Depreciation	4,669	1,213	182	6,064				6,064	15,041	
Total Expenses	\$ 2,038,222	\$ 482,886	\$ 112,108	\$ 2,633,216	\$ 222,355	\$ 38,966	\$ (103,458)	\$ 2,791,079	\$ 2,876,432	

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