

**Hub City Cycles Community Cooperative**  
**Financial Statements**  
*December 31, 2015*  
*(Unaudited - see Notice to Reader)*

## Notice To Reader

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On the basis of information provided by management, we have compiled the statement of financial position of Hub City Cycles Community Cooperative as at December 31, 2015 and the statement of operations and changes in net assets for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Nanaimo, British Columbia

March 3, 2016

*MNP* LLP

Chartered Professional Accountants

# Hub City Cycles Community Cooperative

## Statement of Financial Position

As at December 31, 2015  
(Unaudited - see Notice to Reader)

	2015	2014
<b>Assets</b>		
<b>Current</b>		
Cash	18,324	15,212
Prepaid expenses and deposits	1,084	71
Inventory	29,751	15,814
	49,159	31,097
<b>Property and equipment</b>	7,926	7,456
	57,085	38,553
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	2,844	1,911
Income taxes payable	2,537	1,882
	5,381	3,793
<b>Net Assets</b>		
Net assets, end of year	46,077	29,999
Member shares	5,627	4,761
	51,704	34,760
	57,085	38,553

# Hub City Cycles Community Cooperative Statement of Operations and Changes in Net Assets

For the year ended December 31, 2015  
(Unaudited - see Notice to Reader)

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	2015	2014
<b>Revenue</b>		
Sales - parts	85,889	70,627
Service	35,604	40,536
Sales - bikes	33,310	39,869
Sales - accessories	12,060	15,671
Rental	4,018	4,177
Instructions	-	2,264
Usage	3,287	2,806
Miscellaneous	6,709	1,027
Consignments	(10,486)	(6,382)
<b>Total revenue</b>	<b>170,391</b>	<b>170,595</b>
<b>Cost of sales</b>		
Accessories	1,536	3,438
Bikes	914	6,308
Maintenance	1,914	1,713
Miscellaneous	1,642	1,230
Parts	37,246	37,877
	<b>43,252</b>	<b>50,566</b>
<b>Gross margin</b>	<b>127,139</b>	<b>120,029</b>

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## Hub City Cycles Community Cooperative Statement of Operations and Changes in Net Assets

*For the year ended December 31, 2015  
(Unaudited - see Notice to Reader)*

	2015	2014
<i>(Continued from previous page)</i>	<b>127,139</b>	120,029
<b>Expenses</b>		
Advertising	1,532	1,515
Amortization	1,926	1,699
Bank charges and interest	1,870	2,005
Contracted services	-	175
Donations	350	5,135
Insurance	2,050	2,050
Licences and membership fees	50	235
Office supplies	1,542	3,010
Professional fees	3,290	3,150
Rent	7,800	7,800
Repairs and maintenance	98	1,306
Salaries and benefits	84,061	73,553
Supplies	1,065	945
Telephone	1,270	1,198
Training and education	133	-
Travel	10	649
Utilities	1,476	572
	<b>108,523</b>	104,997
<b>Revenue over expenses, before income taxes</b>	<b>18,616</b>	15,032
<b>Provision for income taxes</b>	<b>2,537</b>	4,738
<b>Net revenue over expenses</b>	<b>16,079</b>	10,294
<b>Net assets, beginning of year</b>	<b>29,998</b>	19,705
<b>Net assets, end of year</b>	<b>46,077</b>	29,999