

The Drivers Cooperative, Inc. (the "Company") a New York Worker Cooperative Corporation

Financial Statements (unaudited) and Independent Accountant's Review Report

Short Year ended December 31, 2020



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To Management
The Drivers Cooperative, Inc.

We have reviewed the accompanying financial statements of the Company which comprise the statement of financial position as of December 31, 2020 and the related statements of operations, statement of changes in shareholder equity, and statement of cash flows for the short year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Going Concern

As discussed in Note 8, certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs.

Vince Mongio, CPA, CIA, CFE, MACC Miami, FL

Vincenzo Mongio

June 22, 2021

Statement of Financial Position

	Year Ended December 31, 2020		
ASSETS			
Current Assets			
Cash and Cash Equivalents	8,519		
Total Current Assets 8,			
Non-current Assets			
Total Non-Current Assets	Œ		
TOTAL ASSETS	8,519		
LIA BILITIES AND EQUITY			
Accrued Income Tax	2,069		
Related Party Advances	1,000		
TOTAL LIABILITIES	3,069		
EQUITY			
Retained Earnings	5,449		
Total Equity	5,449		
TOTAL LIABILITIES AND EQUITY	8,519		

Statement of Operations

Short Year Ended December 31,

	2020
Revenue - Non Recurring	
Rides	1,140
Revenue - Rides	1,174
Total Revenue	2,314
Cost of Revenue	2,410
Gross Profit	(96)
Operating Expenses	
General and Administrative	17,379
Total Operating Expenses	17,379
Operating Income	(17,475)
Other Income - Grants	25,000
Net Income Before Provision	
for Income Tax	7,525
Provision for Income Tax	2,069
Net Income	5,455

Statement of Cash Flows

Short Year Ended December 31,

2020

	2020
OPERATING A CTIVITIES	
Net Income	5,455
Adjustments to reconcile Net Income to Net	
Cash provided by operations:	
Accrued Tax Liability	2,069
Total Adjustments to reconcile Net Income to	
Net Cash provided by operations:	2,069
Net Cash provided by Operating Activities	7,525
FINANCING ACTIVITIES	
Owner Distributions	(6)
Owner Loans	1,000
Net Cash provided by Financing Activities	994
Cash at the beginning of period	-
Net Cash increase (decrease) for period	8,519
Cash at end of period	8,519

Statement of Changes in Shareholder Equity

	Member Shares				
	# of Shares Amount	\$ Amount	APIC	Retained Earnings	Total Shareholder Equity
Beginning Balance 4/24/20 (inception)	-	-	-	-	-
Owner Distribution	-	h -	-	(6)	(6)
Net Loss	-		:=	5,455	5,455
Ending Balance 12/31/2020	. 	× 		5,449	5,449

The Drivers Cooperative, Inc Notes to the Unaudited Financial Statements December 31st, 2020 \$USD

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

The Drivers Cooperative, Inc ("the Company") was formed in New York on April 24th, 2020 under the name of Drive Eva NYC, Inc. before amending its name on December 9, 2020. The Company earns revenue through driver-owned ride-hailing services in New York City.

The Company will conduct a crowdfunding campaign under regulation CF in 2021 to raise operating capital.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Our financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Our fiscal year ends on December 31. The Company has no interest in variable interest entities and no predecessor entities.

Use of Estimates and Assumptions

The preparation of financial statements in conformity 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Fair Value of Financial Instruments

ASC 820 "Fair Value Measurements and Disclosures" establishes a three-tier fair value hierarchy, which prioritizes the inputs in measuring fair value. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

These tiers include:

- Level 1: defined as observable inputs such as quoted prices in active markets;
- Level 2: defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and
- Level 3: defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Concentrations of Credit Risks

The Company's financial instruments that are exposed to concentrations of credit risk primarily consist of its cash and cash equivalents. The Company places its cash and cash equivalents with financial institutions of high credit worthiness. The Company's management plans to assess the financial strength and credit worthiness of any parties to which it extends funds, and as such, it believes that any associated credit risk exposures are limited.

Revenue Recognition

The Company recognizes revenue from the sale of products and services in accordance with ASC 606,"Revenue Recognition" following the five steps procedure:

- Step 1: Identify the contract(s) with customers
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to performance obligations

The Company earns revenue via fees earned from ride hailing software that matches drivers with riders. Service activities are performed to satisfy our sole performance obligation in the transaction which is to connect drivers and riders.

Other Income - Grant

The Company received a grant of \$25,000 which made up the majority of its revenue in 2020. This grant is to be strictly used for general support in its effort to build a worker-owned ride-hailing company. The Grantor is to receive a project narrative and financial report every 6 months to determine if grant funds are being utilized for their specific purpose.

Cost of Revenue

Cost of Sales represents driver payouts for trips provided to riders.

Advertising Costs

Advertising costs associated with marketing the Company's products and services are generally expensed as costs are incurred.

General and Administrative

General and administrative expenses consist of payroll and related expenses for employees and independent contractors involved in general corporate functions, including accounting, finance, tax, legal, business development, and other miscellaneous expenses.

Income Taxes

The Company is subject to Corporate income and state income taxes in the state it does business. We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, we determine deferred tax assets and liabilities on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. We recognize deferred tax assets to the extent that we believe that these assets are more likely than not to be realized. In making such a determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes. We record uncertain tax positions in accordance with ASC 740 on the basis of a two-step process in which (1) we determine whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The Company does not have any uncertain tax provisions.

Reconciliation between the effective tax rate on income from continuing operations and the statutory tax rate is as follows:

Income Tax Expense (benefit) at federal statutory rate (21%)	1,580
State and Local Taxes net of Federal benefit	489
Income Tax Expense Current (none deferred)	2,069

Recent accounting pronouncements

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact on our financial statements.

NOTE 3 – RELATED PARTY TRANSACTIONS

The Company follows ASC 850, "Related Party Disclosures," for the identification of related parties and disclosure of related party transactions. The CEO advanced the Company \$1k to dun operations. The advance accrues no interest and is due on demand.

NOTE 4 - CONTINGENCIES, COMPLIANCE WITH LAWS AND REGULATIONS

We are currently not involved with or know of any pending or threatening litigation against the Company or any of its officers. Further, the Company is currently complying with all relevant laws and regulations.

NOTE 5 – DEBT

Please see "Subsequent Events" section.

Debt Principal Maturities 5 Years Subsequent to 2020

Year	Amount
2021	-
2022	10,000
2023	220,000
2024	-
2025	-
Thereafter	40,000

NOTE 6 – EQUITY

The Company has authorized 1,000,000 shares of common stock with no par value. No shares were issued and outstanding as of 2020.

The Company has not yet authorized shares of preferred stock. The Company's Board of Directors may issue preferred shares from time to time under the terms and conditions of its choosing to meet the capital needs of the Company.

NOTE 7 – SUBSEQUENT EVENTS

The Company has evaluated events subsequent to December 31, 2020 to assess the need for potential recognition or disclosure in this report. Such events were evaluated through June 22, 2021, the date these financial statements were available to be issued.

On February 10, 2021, the Company entered into a revenue sharing agreement for \$20,000 with a remittance rate of 2.5% of gross revenue per quarter until \$60,000 is paid back. The purchaser of this note also has the option to convert to shares of preferred stock equal to \$60,000 minus total revenue payments to date, divided by price per share during the next financing round.

On February 10, 2021, the Company entered into a loan agreement for \$40,000 with an interest rate of 4.99% and maturity date of March 3, 2028.

On February 12, 2021, the Company has entered into a loan agreement for \$10,000 with an interest rate of 8% and maturity date of August 12, 2022.

On February 15, 2021, the Company entered into a loan agreement for up to \$200,000 with \$100,000 available upon closing, and an additional \$100,000 if certain criteria are met during the following three months. This loan contains an interest rate of 7.75% and maturity date of August 15, 2023.

NOTE 8 – GOING CONCERN

The accompanying balance sheet has been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has relied on grants and debt financing to fund operations and has limited operating history as a basis to assess future profitability.

The Company's ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to produce revenues and/or obtain financing sufficient to meet current and future obligations and deploy such to produce profitable operating results. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. No assurance can be given that the Company will be successful in these efforts. These factors, among others, raise substantial doubt about the ability of the Company to continue as a going concern for a reasonable period of time. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities.

NOTE 9 – RISKS AND UNCERTAINTIES

COVID-19

The spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses remains unclear currently. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods. Note: this disclosure assumes there is no significant doubt about the entity's ability to continue as a going concern.

We are an emerging growth Company, and any decision on our part to comply only with certain reduced reporting and disclosure requirements applicable to emerging growth companies could make our common stock less attractive to investors.

We are an emerging growth Company, and, for as long as we continue to be an emerging growth Company, we may choose to take advantage of exemptions from various reporting requirements applicable to other public companies but not to "emerging growth companies," including: not being required to have our independent registered public accounting firm audit our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act; reduced disclosure obligations regarding executive compensation in our periodic reports and annual report on Form 10-K; and exemptions from the requirements of holding nonbinding advisory votes on executive compensation and stockholder approval of any golden parachute payments not previously approved. We can continue to be an emerging growth Company, as defined in the JOBS Act, for up to five years following our IPO.