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# ABOUT US

WestCycle was announced as the peak body for cycling in Western Australia by the Minister for Sport and Recreation, the Hon Terry Waldron in September 2011.

We embrace the competitive, recreation and transport elements of cycling.

We seek to be the interface between the Western Australian cycling community and government.

We operate at a strategic level by leading and coordinating the growth and development of cycling in Western Australia. We do this by creating and implementing strategies that will position Western Australian cycling for future success.

We are also responsible for the distribution of grant funding received from the Department of Sport and Recreation for cycling initiatives.

Our membership comprises of cycling organisations, groups and clubs rather than individuals.

Our vision is for Western Australia to have a cycling community that is cohesive, successful, representative and thriving.

We are a non-profit organisation incorporated under the Western Australian Associations Incorporation Act 1987.



MEMBER ORGANISATIONS



- Gosnells BUG
- Albany Bicycle Users Group
- Northern Districts Combined Community Groups Association

CHIEF EXECUTIVE OFFICER & CHAIRMAN'S REPORT

When WestCycle was first established the concept of a shared office premises that could be shared with our state cycling bodies was identified as a high priority. Given the fragmented history of cycling in Western Australia we knew this would be difficult, but during the past 12 months this is exactly what we've been able to achieve.

The significance of this initiative cannot be overstated. No other state in Australia has been able to achieve the same feat. Our task now is to capitalize on this development by producing a shared human resourcing environment that cuts down on duplication and frees up costs. This will be a significant focus over the coming year.

The past 12 months has also seen us embark on a number of other strategic initiatives that will position cycling for future success. These included the development of a Strategic Framework for Cycling, a High Performance Cycling Review, development of a Mountain Bike Strategy for Western Australia, development of a Trails Sustainability Framework for Western Australia and a comprehensive ICT Review.

During 2012/13 we also made it our focus to grow the overall funding pool for cycling. Over the past year we distributed \$267,500 in grant funding to our member organisations. Funding was also secured for various other projects that will bring long-term benefits to the cycling industry. The Department of Sport and Recreation continues to be a very strong supporter of cycling in Western Australia and we thank them for their continued support.

Growing the overall funding pool remains a key priority, however we all need to work smarter if we want to make this happen. It's evident a number of key decision makers continue to underplay the value cycling can bring to a range of different public policy areas. One of the reasons for this is due to the fragmented nature of our advocacy and lobbying efforts. If we want to achieve investment and policy shifts in favour of cycling then we need to be united in this area. We are hoping that the pending release of our Strategic Framework will help to consolidate the advocacy and lobbying efforts of the industry moving forward.

At a national level, we saw the handing down of the Wood Report, which strongly recommended that Cycling Australia, BMX Australia and Mountain Bike Australia integrate. In some respects we are advanced on what is happening at a national level and we will continue to watch and monitor these developments with interest.

We would like to thank all of our directors who have volunteered considerable time over the past 12 months. Your input has been invaluable. Thanks also to our member organisations for your continued support.

We already know that 2013/14 will throw up some challenges. WestCycle is well placed to handle these challenges and we remain committed to seeing cycling in Western Australia evolve and grow. We're proud of what we've achieved over the past 12 months, but we're also fully aware of the challenges that lie ahead.

  
Clint Shaw  
CHIEF EXECUTIVE OFFICER

  
Craig Smith-Gander  
CHAIRMAN

KEY ACTIVITIES

Our Strategic Plan was launched in March 2012. This plan identified 3 key strategic areas where we would focus our activities: (1) Leadership & Coordination, (2) Advocacy and (3) Resources. A summary of our key activities in each of these areas over the past 12 months is provided below.

LEADERSHIP & COORDINATION

- Development of a Strategic Framework for Cycling in Western Australia;
- Colocation of Bicycling Western Australia, BMX Sports WA, Cycling WA and WAMBA at 105 Cambridge Street, West Leederville;
- Commissioning and project management of a High Performance Cycling Review;
- Development of a Mountain Bike Strategy for Western Australia;
- Facilitating a shared ICT environment at our shared office premises;
- Development of a Trails Sustainability Framework for Western Australia; and
- Development of a Mountain Bike Master Plan for the South West region of Western Australia.

ADVOCACY

- Providing feedback on local government bike plans;
- Securing funding for a Strategic Cycling Facilities Plan for Western Australia;
- Growing our membership base;
- Advocating to government on cycling safety issues;
- Providing a grant to the Bicycle Transport Alliance for research into a cycling safety campaign;
- Participating and providing input into the development of a Cycling Safety Action Plan through the Vulnerable Road Users Advisory Group;
- Trails advocacy and providing letters of support for mountain bike trails projects; and
- Providing a grant to Dismantle for the conduct of cycle safe workshops.

RESOURCES

- Distributing Organisational Sustainability Program (OSP) funding to our member organisations;
- Partnering with Dismantle to supply bikes to Burringurrah Community;
- Sponsoring and administering a Natural Resource Management grant on behalf of WAMBA for the rehabilitation of mountain bike trails in the Perth Hills;
- Providing a rental subsidy to our member organisations colocated at 105 Cambridge Street, West Leederville;
- Purchasing office furniture for our member organisations colocated at 105 Cambridge Street, West Leederville;
- Securing funding for the implementation of comprehensive ICT Reviews;
- Providing a grant to Track Cycling WA for the Winter Track Cycling Grand Prix;
- Providing a grant to Perth Integrated Health Cycling Group for their ride to work initiative;
- Administering a Lotterywest grant on behalf of WAMBA for the construction of new mountain bike trails on Mt Gunjin;
- Securing funding for Cycling WA’s high performance development program; and
- Providing a grant to support the expansion of the Be Active Bike Skills program.







OUR PERFORMANCE

Our performance against the targets identified in our strategic plan is shown in the tables below.

 On Track

 Mixed Progress

 Target Not Met



LEADERSHIP & COORDINATION: The WA cycling community is working in collaboration to advance and promote cycling		PROGRESS
Target 1: Development and endorsement of a Statewide Strategic Plan for Cycling		
Target 2: Development and endorsement of a WA Mountain Bike Strategy and Sustainability Framework		
Target 3: Colocation office facility established and shared by all state cycling representative bodies		
Target 4: Coordinated events calendar		
Target 5: Launch of WestCycle website		
Target 6: Actions identified on how to progress common insurance issue		

Comments

Our Strategic Framework for Cycling is now complete and will be launched as part of Bikeweek in 2014, while draft copies of both the WA Mountain Bike Strategy and Trails Sustainability Framework have been developed. Both of these documents will be finalised in 2013/14.

Bicycling Western Australia, BMX Sports WA, Cycling WA and WAMBA have joined us at 105 Cambridge Street, leaving the Bicycle Transport Alliance as the only state cycling body not colocated.

Our investigations into the common insurance issue have been put on hold due to resource constraints. While this remains a goal for WestCycle, it is unlikely to be achieved by June 2014.

ADVOCACY: WestCycle is acknowledged as a trusted advocate working towards positive change for the cycling community		PROGRESS
Target 1: WestCycle is recognised as the voice to cycling to government in WA		
Target 2: Membership base to include all state cycling representative bodies		

Comments

While we have a strong relationship with the Department of Sport & Recreation, our relationship with other government agencies is not as strong. Improving our relationship with agencies such as the Department of Transport, Department of Education, Healthway and the Office of Road Safety will be a key focus over the coming 12 months.

Bicycling Western Australia joined WestCycle as a member in March 2013, meaning that WestCycle’s membership now comprises of all of Western Australia’s state cycling representative bodies.



## OUR PERFORMANCE (Continued)

RESOURCES: The WA cycling community is well resourced	PROGRESS
Target 1: Commercialisation strategy developed and targets established	<div></div>
Target 2: Yearly growth in non-grant funded revenue streams	<div></div>
Target 3: Yearly growth in the amount of funds distributed to our member organisations for cycling initiatives	<div></div>

### Comments

In 2012/13 we invested significant time and resources into generating sponsorship on behalf of our member organisations. While our efforts in this area were not as successful as we hoped, we still managed to distribute a significant amount of funding to our member organisations in 2012/13.

We have developed a commercialisation strategy and we will continue to pursue the sponsorship opportunities identified within this plan over the coming year.

## LOOKING AHEAD

### LAUNCH & IMPLEMENTATION OF STRATEGIC FRAMEWORK

Over the past year we have worked hard to develop a Strategic Framework for Cycling in Western Australia. Titled 'Our Bike Path', this framework is now complete and will be launched in 2014. The framework maps the course for the coordinated future development of cycling in Western Australia and will be used to inform our future funding investment for cycling initiatives.

### STRATEGIC CYCLING FACILITIES PLAN

Cycling needs the capacity to cater to growing participation levels through the provision of adequate and safe cycling facilities. In May 2013, the Department of Sport & Recreation provided WestCycle with a grant to develop a Strategic Cycling Facilities Plan for Western Australia. The purpose of this project is to develop a plan that provides guidance to all levels of government on the types of facilities needed to meet the current and future needs of the sport of cycling in Western Australia.

### CYCLESPORT WA

Subsequent to balance date, the member clubs of Cycling WA voted to wind-up the Western Australian Cycling Federation (known as Cycling WA). Following on from this, a new governing body for road and track cycle sport in Western Australia, called CycleSport WA will be established. CycleSport WA will be responsible for setting the priorities, strategies and objectives for road and track cycling with WestCycle providing staff and administrative support to achieve these objectives. Supporting the establishment of CycleSport WA will be a high priority during the year ahead.

### WORKFORCE DEVELOPMENT PROJECT

The sharing of human and physical resources between our member organisations is a key priority. In 2013/14 we will progress this priority through the implementation of the Department of Sport & Recreation funded Workforce Development Project. Through this project we will work with our member organisations to identify areas of workforce duplication, gaps in our collective skills base, opportunities for shared human resourcing arrangements and reach agreement on the key workforce strategies we will pursue moving forwards.

### RIDE TO SCHOOL PROGRAMS

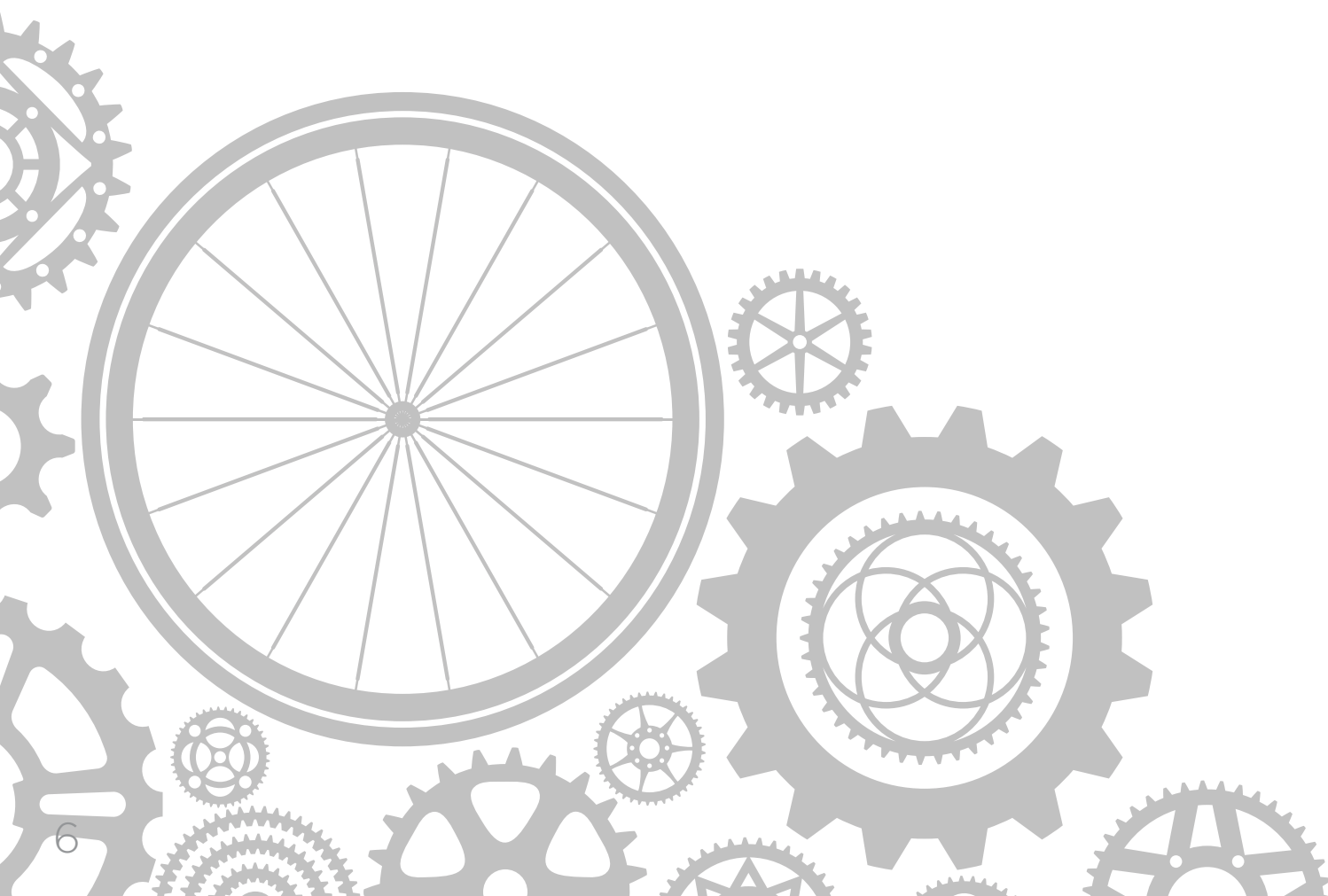
Getting more kids riding to school is a key initiative within our strategic framework, and in 2013/14 we will be doing what we can to support this priority. We have a number of cycling organisations delivering initiatives into schools which is great, but our impact could be so much greater if we delivered these projects in a more coordinated manner. We will be working to achieve this coordinated approach in 2013/14.

### BOOSTING INVESTMENT

Grant funding and sponsorships are essential to the ongoing viability of our member organisations. Boosting investment for cycling will continue to be a key strategic focus of ours in 2013/14.

### MOUNTAIN BIKE DEVELOPMENT

Supporting the development of mountain biking will continue to be an area of focus. In 2013/14 we will be employing a Mountain Bike Development Officer who will be responsible for finalising the Western Australian Mountain Bike Strategy and supporting the organisational development of WAMBA. The position will also assist the Department of Parks and Wildlife with the establishment of a Mountain Bike Working Group, take over the project management of the South West Mountain Bike Master Plan and support the development of a trails planning guide for Western Australia.



## AUDIT REPORT

(Previously International Audit and Consulting Pty Ltd)  
trading as  
**Stantons International**  
Chartered Accountants and Consultants

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTCYCLE INCORPORATED

We have audited the accompanying financial report, being a special purpose financial report, of Westcycle Incorporated (the Association), which comprises the statement of financial position as at 30 June 2013, the statement of income and expenditure, and statement of cash flows for the year ending 30 June 2013, notes comprising a summary of significant accounting policies and other explanatory information, and the director's declaration.

#### Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report that gives a true and fair view, 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Stantons International**

#### Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Westcycle Incorporated as at 30 June 2013 and its financial performance and its cash flows for the period then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act 1987.

#### Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Westcycle Association (Non-reporting) Inc to meet the requirements of the Associations Incorporation Act 1987. As a result, the financial report may not be suitable for another purpose.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED  
(An Authorised Audit Company)

*Stantons International*  
*Samir Tirodkar*

Samir Tirodkar  
Director

West Perth, Western Australia  
8 October 2013



FINANCIAL STATEMENTS  
For the period 1 July 2012 to 30 June 2013

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DIRECTORS REPORT

The directors submit the second financial statements of the Association for the period 1 July 2012 to 30 June 2013.

Directors

The names of the directors in office at the date of this report are:

Craig Smith-Gander	Neil Hackett
Brad Pettitt	Rod Annear
Fiona Wood	Paul Lavery
Tony Anderson	Jane Cutler
Mike Rendell	

Principal Activities

WestCycle is the state coordinating body for cycling in WA embracing the competitive, recreation and transport elements of cycling. It is an incorporated not for profit organisation with an independent board of directors.

WestCycle aspires to be the catalyst for cycling in WA by actively promoting cycling and by creating a framework that allows its member organisations and the broader cycling community to increase their capability to deliver cycling outcomes.

Operating Results

The operating Surplus/(deficit) for the period amounted to \$81,679.

FINANCIAL STATEMENTS  
Directors Report (Continued)

Likely Future Developments

The entity will continue to bring the Western Australia cycling community together as a united voice, with a joint vision of a cohesive, successful, identifiable and thriving cycling community.

Directors’ Benefits

No remuneration is paid to any director as they are all voluntary positions.

Information on Directors

Craig Smith-Gander	Chairman and Independent Director - Inaugural
Fiona Wood	Independent Director - Inaugural
Neil Hackett	Independent Director - Inaugural
Brad Pettitt	Independent Director - Appointed 12 March 2012
Rod Annear	Recreation Cycling - Inaugural
Paul Lavery	Transport Cycling - Inaugural
Mike Rendell	Competitive Cycling – Appointed 14 September 2012
Jane Cutler	Independent Director – Appointed 23 November 2012
Tony Anderson	Independent Director – Appointed 23 November 2012

Meetings of Directors

The number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

NAME OF DIRECTOR	Number of Meetings Eligible to Attend	Number of Meetings Attended
Craig Smith-Gander	9	9
Fiona Wood	9	5
Neil Hackett	9	9
Brad Pettitt	9	2
Rod Annear	9	7
Paul Lavery	9	7
Mike Rendell	6	5
Jane Cutler	5	4
Tony Anderson	5	4

FINANCIAL STATEMENTS  
Directors Report (Continued)

Significant Changes in the State of Affairs

There have been no significant changes in the state affairs of the Association during the financial year which have not been disclosed in the financial statements.

Events Subsequent to Balance Date  
WestCycle has received the following grants since 30 June 2013:

Department of Sport & Recreation	\$ 5,000
Lotterywest	\$ 5,000

WestCycle has issued the following grants since 30 June 2013:  
BMX Sports WA

\$15,130

WestCycle has entered into contracts with the following firms since 30 June 2013:  
Common Ground Trails Pty Ltd  
Sinclair Knight Merz

\$ 25,000  
\$139,868

Other than the above, the directors are not aware of any circumstances that have significantly or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in subsequent financial years.

Dated at Perth this 8th day of October 2013

Signed in accordance with resolution of the board of directors:



CHAIRMAN



CHIEF EXECUTIVE OFFICER

STATEMENT  
by Members of the Board

The board of directors has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the board, the financial statements for the financial year ending 30 June 2013 as set out in the Statement of Financial Position, Statement of Income and Expenditure, Statement of Cash Flows, Statement of Changes in Equity and Notes to and forming Part of the Accounts -

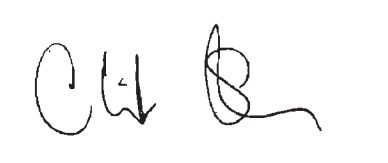
Present a true and fair view of the financial position of WestCycle Incorporated as at 30 June 2013 and for the year then ended.

At the date of this statement there are reasonable grounds to believe that WestCycle Incorporated will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the board and is signed for and on behalf of the board by:



CHAIRMAN



CHIEF EXECUTIVE OFFICER

Dated at Perth this 8th day of October 2013



## STATEMENT of Income and Expenditure

For the period 1 July 2012 to 30 June 2013

		1 July 12- 30 June 13 \$	12 April 2011- 30 June 2012 \$
<b>Income</b>			
Unexpended grants carried forward		156,743	-
Grant Income	2	956,991	260,000
Other Income	3	30,757	2,226
<b>Total Income</b>		<b>1,144,491</b>	<b>262,226</b>
<b>Expenditure</b>			
Audit fees	4	3,000	5,000
Accounting fees	5	1,801	1,334
Employee benefit expenses	5	186,976	65,780
Insurance	5	3,828	2,592
Occupancy cost	5	29,357	6,188
Grants paid	5	267,500	-
Contractor fees	5	211,091	-
Administration expenses	5	37,448	5,905
Advertising	5	6,769	15,871
Depreciation		4,823	587
<b>Total Expenditure</b>		<b>752,593</b>	<b>103,257</b>
<b>Surplus before transfer</b>		<b>391,898</b>	<b>158,969</b>
<b>Transfer to unexpended grants/receipts</b>		<b>(\$310,219)</b>	<b>(\$156,743)</b>
<b>Net surplus/(deficit) to accumulated funds</b>		<b>81,679</b>	<b>2,226</b>

## STATEMENT of Financial Position

As at 30 June 2013

		30 June 2013 \$	30 June 2012 \$
<b>Current Assets</b>			
Cash and cash equivalents	6	407,406	185,282
Other receivables		3,938	-
<b>Total current assets</b>		<b>411,344</b>	<b>185,282</b>
<b>Non-Current Assets</b>			
Property plant and equipment	7	59,070	2,613
Other receivables	8	5,127	1,200
<b>Total Non-Current Assets</b>		<b>64,197</b>	<b>3,813</b>
<b>Total Asset</b>		<b>475,541</b>	<b>189,095</b>
<b>Current Liability</b>			
Trade & Other payables	9	68,830	24,292
Provisions	10	9,753	5,834
Unexpired grants/receipts	11	310,219	156,743
<b>Total Current Liabilities</b>		<b>388,802</b>	<b>186,869</b>
<b>Non-Current Liabilities</b>			
Trade and Other payables		2,834	-
<b>Total Non-Current Liabilities</b>		<b>2,834</b>	<b>-</b>
<b>Total liabilities</b>		<b>391,636</b>	<b>186,869</b>
<b>Net assets</b>		<b>83,905</b>	<b>2,226</b>
<b>Accumulated Funds</b>			
Opening balance at 1 July		2,226	-
Current period surplus		81,679	2,226
<b>Balance Accumulated Funds</b>		<b>83,905</b>	<b>2,226</b>

STATEMENT  
of Cash Flows

For the period 1 July 2012 to 30 June 2013

		1 July 2012- 30 June 2013	12 April 2011 - 30 June 2012
		\$	\$
<hr/>			
Cash flow from operating activities			
Grants Received		933,054	260,000
Grants Paid		(267,500)	-
Payments to Suppliers		(431,814)	72,544)
Interest received		8,253	2,176
Other Income		42,504	50
		<hr/>	<hr/>
Net cash provided by operating activities	12	284,497	189,682
		<hr/>	<hr/>
Cash flow from investing activities			
Acquisition of plant and equipment		(61,280)	(3,200)
Sale of plant and equipment			-
Placement of security deposit		(3,927)	(1,200)
		<hr/>	<hr/>
Net cash used in investing activities		(65,207)	(4,400)
		<hr/>	<hr/>
Cash flow from financing activities			
Deposits received		2,834	-
		<hr/>	<hr/>
Net Cash from financing activities		2,834	-
		<hr/>	<hr/>
Net increase in cash held		222,124	185,282
Cash at beginning of financial period		185,282	-
		<hr/>	<hr/>
Cash at end of financial period	6	407,406	185,282
		<hr/>	<hr/>

The accompanying Notes form part of the financial statements

STATEMENT  
of Changes In Equity

For the period 1 July 2012 to 30 June 2013

	1 July 2012- 30 June 2013	12 April 2011- 30 June 2012
	\$	\$
<hr/>		
Statement of changes in equity		
Accumulated funds balance at the commencement of the year	2,226	-
Gross surplus (deficit) from operations	391,898	158,969
Transfer out to unexpended grants	(310,219)	(156,743)
	<hr/>	<hr/>
Accumulated funds balance at 30 June 2012	83,905	2,226
	<hr/>	<hr/>

NOTES TO AND FORMING PART OF THE
Financial Statements

For the period 1 July 2012 To 30 June 2013

Note 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below.

Significant Accounting Policies and Basis of Preparation

The Directors have determined that the financial report presented is a special purpose financial report prepared to satisfy the financial reporting requirements of the Associations Incorporation Act 1987 (Western Australia) and as required by its Constitution. The Board has determined that WestCycle Incorporated is not a reporting entity. The following material accounting policies adopted on the incorporation of the entity, unless otherwise stated, have been consistently applied in the preparation of this financial report.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act 1987 (Western Australia) and the following Australian Accounting Standards:

Table with 2 columns: Standard Code, Standard Name. Rows include AASB 101 Presentation of Financial Statements (2009), AASB 1031 Materiality, and AASB 110 Events after the Reporting Period.

No other applicable Accounting Standards or other authoritative pronouncements of the Australian Accounting Standards Board have been applied. The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, the current valuation of non-current assets.

Grants and Other Contributions Revenue

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when WestCycle obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

As at 30 June each year, funds received by WestCycle which have not been expended are recognised as a current liability. These funds are then transferred and recognised in the Statement of Income and Expenditure for the following year. Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Grants and Other Contributions Paid

Grants, donations, gifts and other non-reciprocal distributions are fully expensed during the financial year in which the payment was made, irrespective of whether the receiving party has met the conditions set out in the agreement or not. If conditions are not satisfied, grant distributions can be recovered from receiving parties or grant distributions adjusted in future years.

Acquisitions of assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Assets costing less than \$500 may be expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

NOTES TO AND FORMING PART OF THE
Financial Statements (continued)

Depreciation of non-current assets

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner which reflects the consumption of their future economic benefits.

Depreciation is calculated on the straight line basis using rates which are based on the expected useful lives for each class of depreciable asset. At 30 June 2010 these were:

Table with 2 columns: Asset Class, Useful Life. Rows include Plant and equipment (2 to 5 years), Office equipment (2 to 5 years), Electronic Equipment (2 to 3 years), Information Technology including Software (2 to 3 years), and Motor vehicles (3 to 7 years).

Leases

The only leases currently operated through WestCycle are leases for the purpose of the use of office space.

Cash

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets net of outstanding bank overdrafts, if any. These include short-term deposits that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

Investments

Investments are brought to account at the lower of cost and recoverable amount. Interest revenues have been recognised as they were received.

Web site costs

Costs in relation to web sites controlled by WestCycle have been charged as expenses in the period in which they are incurred.

Payables

Payables, including accruals not yet billed, are recognised when WestCycle become obliged to make future payments as a result of a purchase of assets or provision of services, or where there is a commitment for future services.

Employee entitlements

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to the reporting date. Employee entitlements for wages and salaries, annual leave and long service leave have been measured as follows;

(i) Annual leave

This benefit is recognised at the reporting date in respect to employees' services up to that date and is measured at the current remuneration rate, applicable to each employee.

(ii) Long service leave

Leave benefits are calculated at current remuneration rates and based on the accrued liability to the reporting date. A liability for long service leave has been recognised from the commencement date of each employee based on the need to recognise the contribution to this future expense, from funding received. An actuarial assessment of long service leave has not been undertaken. It is considered that this treatment of the liability for long service leave provides a conservative provision where future funding levels are uncertain.



NOTES TO AND FORMING PART OF THE  
Financial Statements (continued)

(iii) **Superannuation**

WestCycle contributes to superannuation funds of the employee's choice in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. All these funds comply with the legislation applying to administration of superannuation and retirement benefit arrangements, specifically with regard to the preservation of employer contributions and the portability of funds to alternate providers.

**Rounding of amounts**

Amounts in the financial statements have been rounded to the nearest dollar.

**Taxation and Goods and Services Tax**

The Association promotes cycling in the state of Western Australia and is classed as exempt from Income Tax by virtue of Division 50 of the Income Tax Assessment Act 1997.

The net amount of goods and services tax recoverable from or payable to the Australian Taxation Office is included as a current asset or liability in the balance sheet. Revenue, expenses and assets are recognised net of the GST. Trade receivables and payables are stated with the amount of GST included.

**Receivables**

The recoverability of receivables is assessed at balance date and debts that are known to be uncollectible are written off.

**Depreciation**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses.

Depreciation is calculated on a diminishing value basis to apportion the net cost of each item of property, plant and equipment over its expected useful life to the Association. Estimates of remaining useful lives are made on an annual basis for all assets. Depreciation is expensed as a operating expenditure in the year in which it is incurred. The depreciation rates used for each class of asset are as follows:

	2012
Computer Equipment	40.00%
Furniture and Fixtures	12.50%
All Other Plant and Equipment	20.00%

**Payables**

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial period which are unpaid. Trade payables are normally settled within 30 days.

NOTES TO AND FORMING PART OF THE  
Financial Statements (continued)

	1 July 2012- 30 June 2013 \$	12 April 2011 - 30 June 2012 \$
<b>Note 2 Grant income</b>		
Grant from Department of Sports & Recreation	783,700	260,000
Grants from Lottery West	109,091	-
Grant from Department of Environment and Conservation	20,000	-
Grant from Department of Agriculture and Food	44,200	-
	<b>956,991</b>	<b>260,000</b>
<b>Note 3 Other income</b>		
Interest Income	8,253	2,176
Other Income	22,504	50
	<b>30,457</b>	<b>2,226</b>
<b>Note 4 Auditor's remuneration</b>		
Remuneration of the auditor of the Company for		
Auditing or Review the Financial Report	3,000	5,000
	<b>3,000</b>	<b>5,000</b>

## NOTES TO AND FORMING PART OF THE Financial Statements (continued)

For the period 1 July 2012 To 30 June 2013

	1 July 2012- 30 June 2013	12 April 2011 - 30 June 2012
	\$	\$
<b>Note 5 Expenses from Continuing Operations</b>		
<b>Employee benefits expenses</b>		
Wages and salaries	168,212	55,288
Leave entitlements	3,918	5,834
Other payroll expenses	14,846	4,658
	<b>186,976</b>	<b>65,780</b>
<b>Insurance</b>		
Work cover insurance	911	528
Other insurance	2,917	2,064
	<b>3,828</b>	<b>2,592</b>
<b>Occupancy Cost</b>		
Office rental	28,776	5,783
Other occupancy cost	581	405
	<b>29,357</b>	<b>6,188</b>
<b>Grants Paid</b>		
Cycling WA	215,000	-
BMX Sport WA	30,000	-
Dismantle	3,000	-
Perth Integrate Health Cycling Group	2,000	-
Bicycle Transport Alliance	7,500	-
Track Cycling WA	10,000	-
	<b>267,500</b>	<b>-</b>

## NOTES TO AND FORMING PART OF THE Financial Statements (continued)

	1 July 2012- 30 June 2013	12 April 2011 - 30 June 2012
	\$	\$
<b>Contractor Fees</b>		
WA Mountain Bike Association	29,000	-
Single Track Minds	40,000	-
Dirt Art	109,091	-
Dafydd Davis	12,000	-
Colin Brown	6,000	-
Brian Miller	15,000	-
	<b>211,091</b>	<b>-</b>
<b>Administration Expenses</b>		
Travel and accommodation	744	162
Other administrative expenses	36,704	5,743
	<b>37,448</b>	<b>5,905</b>
<b>Advertising</b>		
Publications & Design	6,769	1,080
Website	-	14,791
	<b>6,769</b>	<b>15,871</b>
<b>Note 6 Cash &amp; cash equivalents</b>		
Cash at Bank	407,406	185,282
	<b>407,406</b>	<b>185,282</b>
<b>Note 7 Property plant and equipment</b>		
Plant and Equipment at Cost	64,480	3,200
Less: Accumulated Depreciation	(5,410)	(587)
	<b>59,070</b>	<b>2,613</b>

## NOTES TO AND FORMING PART OF THE Financial Statements (continued)

	1 July 2012- 30 June 2013 \$	12 April 2011 - 30 June 2012 \$
<b>Note 8 Receivables</b>		
Current receivables		
Trade receivables	3,937	-
	<b>3,937</b>	<b>-</b>
Non-current receivables		
Security Deposit	5,127	1,200
	<b>5,127</b>	<b>1,200</b>
	<b>June 2013 \$</b>	<b>June 2012 \$</b>
<b>Note 9 Trade &amp; Other payables</b>		
Current payables		
Trade and other payables	(33,932)	(4,615)
Tax liabilities	(34,899)	(12,143)
Accruals	-	(7,534)
	<b>(68,831)</b>	<b>(24,292)</b>
Non-Current payables		
Deposit held	(2,834)	-
	<b>(2,834)</b>	<b>-</b>
<b>Note 10 Provisions</b>		
Provision for leave entitlements	(9,753)	(5,834)
	<b>(9,753)</b>	<b>(5,834)</b>

## NOTES TO AND FORMING PART OF THE Financial Statements (continued)

	June 2013 \$	June 2012 \$
<b>Note 11 Unexpired grants/receipts</b>		
Unexpended grant carried forward	156,743	-
Grant Income	956,991	260,000
Expended grants during the period	(803,515)	(103,257)
Unexpired grant income	-	-
	<b>310,219</b>	<b>156,743</b>
<b>Note 12 Reconciliation of Cash Flow from</b>		
<b>Operating Activities</b>		
Net Income	81,678	158,969
<b>Adjustment for non-cash items:</b>		
Depreciation	4,824	587
<b>Change in operating assets and liabilities</b>		
(Increase)/decrease in unspent grant	153,475	-
Increase/(decrease) in trade and other receivables	(3,937)	-
Increase/(decrease) in trade and other payables	44,538	24,292
Increase/(decrease) in provisions	3,919	5,834
<b>Net Cash Inflow /(Outflow) from operating activities</b>	<b>284,497</b>	<b>189,682</b>

### Note 13: Commitments and Contingencies

Other than those stated elsewhere in this financial report, there were no commitments or contingencies at 30 June 2013.



NOTES TO AND FORMING PART OF THE  
Financial Statements (continued)

Note 14: Subsequent Events	\$
WestCycle has received the following grants since 30 June 2013:	
Department of Sport & Recreation	\$5,000
Lotterywest	\$5,000
WestCycle has issued the following grants since 30 June 2013:	
BMX Sports WA	\$15,130
WestCycle has entered into contracts with the following firms since 30 June 2013:	
Common Ground Trails Pty Ltd	\$25,000
Sinclair Knight Merz	\$139,868
Other than the above, the directors are not aware of any circumstances that have significantly or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in subsequent financial years.	

Note 15: Grants Utilisation	\$
Receipts:	
Unexpended grants carried forward	156,743
Grants received during the financial year	956,991
Disbursements of Grants:	
Expenses through Statement of Income and Expenditure	(735,030)
Purchase of Property, Plant and Equipment	(68,485)
Grants deferred to the next financial year	310,219
(Cash basis)	

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