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## ABOUT US

WestCycle is the peak body for cycling in Western Australia.

We embrace all elements of cycling. We are for long rides and short rides. For riding to work, riding to school, weekend rides, racing, bunch rides, BMX rides, riding at the track, hitting the trails and for quick spins around the block.

We are the industry representative body for cycling to 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 work behind the scenes to build the capacity of our cycling organisations.

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

We advocate and campaign to government on a range of cycling related issues, including road safety.

Our membership comprises of cycling organisations, groups and clubs.

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

We are governed by an independent Board of Directors.



## MEMBER ORGANISATIONS

### Members



### Affiliate Members



PERTH INTEGRATED HEALTH  
CYCLING GROUP



Gosnells BUG	Albany BUG	Northern Districts Combined Community Groups Association	Tri Stuff	WA Tandem Cycling Advisory Council
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Members listing is current as at 30 November 2014

## SPONSORS & PARTNERS

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### Principal Partner & Sponsor



Government of **Western Australia**  
Department of **Sport and Recreation**

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### Program Partners



Department of  
**Parks and Wildlife**



Department of  
**Transport**



WestCycle thanks the generous support of our government sponsors and program partners.

## CHAIRMAN'S MESSAGE

2014 has been a year of consolidation and increased involvement from WestCycle. WestCycle remains a small entity in terms of its physical size, with its output dramatically outweighing the resources at its disposal.

This capacity to over deliver given the small base of physical resources is a testament to our unassuming Chief Executive Officer Clint Shaw. Clint has continued to operate at the highest possible level, continually delivering excellent outcomes for cycling in Western Australia. The Directors of WestCycle commend his performance in the strongest possible manner.

WestCycle became more involved in the sport of cycling this year past with the unfortunate demise of Cycling Western Australia. Placed in an extremely difficult situation by circumstances not entirely within their control, the Directors of Cycling WA were forced to seek the help of the Department of Sport and Recreation as well as WestCycle to secure the future of the sports of track and road cycling in the state. A long process resulted in the winding up of Cycling WA with its operations being moved to within WestCycle. I would like to thank Simon Proud and his fellow former Directors for the professional and unselfish manner in which they acted to ensure that the best outcome was achieved for the sport.

WestCycle did not set out to take over Cycling WA. Whilst the finances and operations of cycle sports are now within the control of WestCycle, the vision, strategy, and sport operations are now overseen by Chairman Dan O'Donoghue and his board at Western Australian Cyclesport Inc. I believe that the foundations are now in place for a strong and stable future for the sports of road and track cycling, as well as there effective administration.

A closer relationship with our two strongest advocacy organisations occurred this year. We have been able to provide some funding to Bicycling Western Australia as it continues to grow and pursue its fantastic aim of having more people cycling more often. The Board and CEO of BWA are robust in the pursuit of their aims. WestCycle looks forward to the opportunity of further assisting BWA in future years. The Bicycle Transport Alliance recently entered into a Memorandum of Understanding with WestCycle which sees further cooperation in advocacy and research between our organisations and offers the opportunity for the development of consistent messaging to the public, media and government on cycling matters.

Whilst the relationship with government stays strong, WestCycle is continuing to develop partnerships with the private sector. The RAC WA has partnered with WestCycle to provide cycling education workshops in regional areas of Western Australia. We welcome the RAC as a proactive and supportive partner and look forward to a continued involvement with this outstanding Western Australian organisation.

Funding and resources have been provided through Department of Sports and Recreation, Lottery West, and Department of Parks and Wildlife to progress a number of strategically significant projects which are outlined elsewhere in the report. We thank the State for its continued support to cycling.

WestCycle has recently been awarded the management of the Department of Transport's Bikeweek for 2015. This was a competitive tender, which we are proud to have won on our merits. We look forward to growing the visibility and value of Bikeweek, and in doing so we recognise the invaluable and ongoing support that Transport provides to the cycling community of our state.

## **CHAIRMAN'S MESSAGE** (Continued)

I will be retiring as Chairman of WestCycle in December this year. I have enjoyed the challenge of being the inaugural Chairman of our state's peak cycling body and thank Minister Terry Waldren and CEO Ron Alexander for their trust and also their support along the journey. Fiona Wood and Tony Anderson will also be retiring at the AGM, and I would like to thank them personally and on behalf of the board and members for their valuable contributions.

I am very confident that under the leadership of your new Chairman Neil Hackett and CEO Clint Shaw, WestCycle will continue to provide strong leadership and stable administration to cycling in Western Australia. Thankyou to the members of WestCycle, and the staff and board members for allowing me to be your Chairman these past three years.

A handwritten signature in black ink, appearing to read 'C. Smith-Gander'.

Craig Smith-Gander

**CHAIRMAN**



## CEO MESSAGE

During the past year we've been able to progress a number of strategically significant projects that will guide the development and growth of cycling in Western Australia.

Key amongst these was the 'Strategic Framework for Cycling' we launched in March. This framework has been endorsed by government as a pivotal planning framework for cycling and was the culmination of over 18 months of research and consultations with the cycling community. I've been buoyed by the feedback we've received following the release of the framework and I look forward to supporting its implementation in the years to come.

We were also able to progress a number of other significant planning documents including the Western Australian Mountain Bike Strategy, South West Mountain Bike Master Plan and Strategic Cycling Facilities Plan. Public consultation on the Western Australian Mountain Bike Strategy and South West Mountain Bike Master Plan is now complete, with the Strategic Cycling Facilities Plan likely to be released in early 2015.

The past year has also seen us reform the governance and management structure of competitive cycling in Western Australia. While the decision to wind-up Cycling WA in October last year was a difficult one, it was necessary in order to secure the future of the sport. I'm really pleased with the progress we've made since and I would like to thank Daniel o'Donoghue and the board of CycleSport WA for the power of work they have all put into getting CycleSport WA off the ground.

There are tremendous benefits, efficiencies and scalability to be gained through a shared services model and CycleSport WA is now reaping the benefits of this model. We will continue to explore shared services opportunities in consultation with our member organisations throughout 2014/15.

In October 2013 we also took over delivery of the AustCycle accredited Bike Skills program from Cycling WA. Since that time we have delivered bike education and training programs to nearly 1500 children and adults. We would like to see accredited bike education programs rolled out to all school children in Western Australia and we will be seeking to significantly expand the footprint of this program over the coming year.

Safety concerns continue to be a major barrier to cycling for many people and we need to do more to overcome this perception and create a safer cycling environment in Western Australia. Throughout the year we campaigned to support the introduction of minimum passing distance legislation in Western Australia and our work on this campaign will continue into 2015.

I also believe we need to be smarter as a cycling community in the way we carry out our advocacy efforts. Despite progress, our collective advocacy efforts remain fragmented which is hampering our ability to achieve policy and investment shifts in favour of cycling. If we want to turn Western Australia into a place where it's safe, fun and easy for people of all ages and abilities to cycle, then we are going to need a change in the mindset of our political leaders and policy makers. This isn't going to happen while we are selling mixed messages through our collective advocacy efforts.


Our financial outlook is strong with the Department of Sport & Recreation recently committing to WestCycle through a three year funding agreement under the Organisational Sustainability Program. The Department of Sport & Recreation is a big supporter of cycling in Western Australia and we extend our appreciation for their generous and ongoing support.



## **CEO MESSAGE** (Continued)

Craig Smith-Gander, our inaugural Chairman, is stepping down from the board at our 2014 AGM. I would like to take this opportunity to thank Craig for the leadership, guidance and support he has provided over the past three years. Craig has made an extraordinary contribution to WestCycle and his involvement will be missed. I would also like to thank Sarah Smith, Toby Hodgson and Hannah Franklin who all took on additional responsibilities during the year in a restructured environment.

Thanks also to all our member organisations, cycling clubs, bicycle user groups, coaches, officials, advocates and volunteers that continue to drive the development of cycling at a grassroots level in Western Australia. Cycling would not have the profile and participation levels it has today without your passion and involvement.

A handwritten signature in black ink, appearing to read 'Clint Shaw', with a stylized flourish at the end.

Clint Shaw

**CHIEF EXECUTIVE OFFICER**

## KEY ACTIVITIES

### OUR BIKE PATH: A STRATEGIC FRAMEWORK FOR CYCLING IN WESTERN AUSTRALIA

In March 2013 we launched 'Our Bike Path: A Strategic Framework for Cycling in Western Australia'. This framework was the culmination of over 18 months of consultation work with our member organisations and the broader cycling community.

The framework is the first of its kind for cycling in Western Australia. The framework is not about any one cycling organisation, cycling discipline or government agency. It's a plan for all forms of cycling and for everyone associated with developing and supporting cycling in Western Australia: our clubs, cycling groups, local councils, government agencies, volunteers, administrators and riders.

The plan outlines the vision, targets and framework that will be used to guide the development and growth of cycling in Western Australia between now and 2020. Importantly, the plan has been endorsed by the State Government as a pivotal planning framework for cycling in Western Australia.

The targets outlined in the framework include:

- Getting over 1 million Western Australians regularly riding by 2020;
- Achieving a transport mode share of 5% by 2020;
- Reducing the number of serious bicycle injuries every year;
- Increasing the number of children riding to school;
- Reducing the disparity between men's and women's participation in cycling;
- Dramatically improving community perceptions of cycling;
- Increasing the number of cycling infrastructure facilities in metropolitan and regional WA; and
- Increasing the number of Western Australians winning gold at national championships.

We look forward to working with the entire cycling community, industry and government to deliver on the framework and achieve these targets over the next 6 years.



## KEY ACTIVITIES (Continued)

### RESTRUCTURE OF COMPETITIVE ROAD AND TRACK CYCLING

Due to financial difficulties, the former governing body for competitive road and track cycling in Western Australia, Cycling WA, ceased trading and voluntarily wound up in October 2013.

In the months leading up to that decision, WestCycle along with the Department of Sport & Recreation (DSR) worked closely with Cycling WA to identify a solution to their financial situation. This culminated in all three parties agreeing to a new governance and management model for competitive road and track cycling in Western Australia.

This model would see WestCycle employ all former Cycling WA staff from October 2013 and take responsibility for the delivery of services to support the growth and development of road and track cycling in Western Australia. It would also result in a new governing body for competitive road and track cycling being established: Western Australian CycleSport Inc ('CycleSport WA').

CycleSport WA was officially incorporated in April 2014 and is now responsible for setting the strategic objectives and priorities for road and track cycling in Western Australia. WestCycle employs the staff, handles the finances and provides the services to carry out these objectives.

This new model ensures that the member clubs of CycleSport WA continue to hold the future of road and track cycling in their own hands. It also ensures that the expenditure of CycleSport WA cannot exceed income, thus ensuring that the financial mistakes of the past are not repeated.

While the model has only been in place for a short while now it is already proving to be successful. It is allowing the board of CycleSport WA to focus its attention on what is needed to grow the sport whilst enabling WestCycle to create a shared services environment that services multiple cycling organisations. In addition to creating operational efficiencies, the shared services model provides both WestCycle and CycleSport WA with a scalability that could not be achieved as organisations operating in isolation of one another.

This time last year the future of road and track cycling in Western Australia was uncertain. Now the situation could not be more different. CycleSport WA now has a stable financial base, a new and enthusiastic board and an operational structure that is supporting the association to meet its objectives.



## KEY ACTIVITIES (Continued)

### BIKE SKILLS PROGRAM

WestCycle became a licensed AustCycle provider in October 2013. Since then we have teamed up with a variety of organisations to help provide people young and old with the skills, safety and confidence to ride better, more often and more safely.

Organisations and groups we have partnered with include the Australian Sports Commission (Active After-school Communities), Department of Transport (TravelSmart), the RAC, Kidsafe, RoadWise, School Drug Education & Road Aware and the Girl Guides.

We are seeing more and more people wanting to choose cycling and our Bike Skills program has an important role to play in supporting children and adults to ride. The program is designed to improve participant bike handling skills, knowledge and understanding of safer bike riding plus levels of confidence.

Since October last year the Bike Skills program has equipped nearly 1500 participants with the skills to ride and we will be seeking to dramatically expand the reach of this program in the years to come.

Period 1 October 2013 – 30 June 2014			
	Children	Adults	Total
<b>No of Courses &amp; Workshops Delivered</b>	58	17	75
<b>No. of Participants</b>	1378	64	1442



### AUSTCYCLE SKILLS COACH COURSE

During the year we also facilitated an AustCycle Skills Coach Course to lift the number of accredited cycling coaches in Western Australia. The completion of this course allows participants (when accredited and registered with an AustCycle Provider) to teach Levels 1 (Beginner) and 2 (Intermediate) of the AustCycle Education Framework.

The AustCycle Skills Coach Course was held in March with a total of 15 adults completing the training and gaining accreditation as an AustCycle Skills Coach.

## KEY ACTIVITIES (Continued)

### WESTERN AUSTRALIAN MOUNTAIN BIKE STRATEGY

The past year has also seen us coordinate the development of two key mountain bike planning projects, namely the Western Australian Mountain Bike Strategy and the South West Mountain Bike Master Plan.

Prepared by WestCycle with support from DSR, the Department of Parks and Wildlife (DPaW) and the Western Australian Mountain Bike Association (WAMBA), the Western Australian Mountain Bike Strategy ('the Strategy') is a response to the massive increase we've seen in mountain bike riding over the past decade.

The Strategy is a guide to the development of sustainable mountain biking in Western Australia and highlights the economic, tourism, environmental, health, social and community benefits of mountain biking to the state.

Importantly, the Strategy serves as a guide to the development of sustainable mountain bike trails in appropriate locations, ensuring the states natural assets are valued and conserved. The Strategy also acts as an overarching umbrella under which regional and local mountain bike plans will be created.

Public consultation on the draft Strategy is now complete with the Strategy expected to be finalised in early 2015.

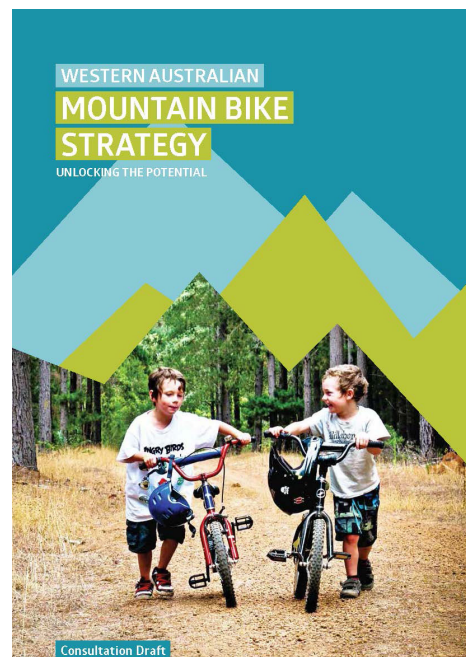
### SOUTH WEST MOUNTAIN BIKE MASTER PLAN

Sitting underneath the Western Australian Mountain Bike Strategy is regional master planning. The South West Mountain Bike Master Plan ('Master Plan') is the first regional master plan developed out of the recommendations of the Strategy.

During the year we engaged trails planning consultants Common Ground to prepare the Master Plan under the direction of a project Steering Committee which included representatives from WestCycle, DSR, DPaW, WAMBA and the mountain bike community. The Master Plan covers the South West region of the state, from Bunbury to Pemberton.

The Master Plan prioritises a network of areas where high-quality, sustainable and accessible mountain bike facilities can be developed. It recommends the development of three nationally significant locations in Margaret River, Pemberton and Wellington and two regionally significant locations in Dunsborough and Nannup.

Public consultation on the draft Master Plan is now complete with the Master Plan expected to be finalised in early 2015.





## **KEY ACTIVITIES** (Continued)

### **GRANT DISTRIBUTIONS**

Once again WestCycle was responsible for the distribution of grant funding to a number of different cycling organisations in 2013/14.

#### **Organisational Sustainability Program (OSP)**

The OSP program sees DSR invest into the strategic intent and operational plans of State Sporting Associations rather than providing funding for specific programs. In the case of cycling, DSR provides all OSP funding to WestCycle, with the board of WestCycle then determining how that funding is to be distributed amongst our member organisations.

In 2013/14 a total of \$150K was distributed to our member cycling organisations with \$30K being provided to BMX Sports WA, \$20K to Bicycling Western Australia and \$100K being used to support the activities of Cycling WA/CycleSport WA.

#### **Mountain Bike Junior Development Camp**

Through the funding support of DSR we were also able to provide the Perth Mountain Bike Club (PMBC) with a \$5K grant to hold a Junior Development Camp and Coaching Camp in July 2013.

A total of 19 junior athletes participated in the camp along with 12 trainee coaches. The camp was an overwhelming success and will benefit mountain biking in Western Australia for years to come.

#### **Winter Track Cycling Grand Prix**

In 2014 we were once again able to provide Track Cycling WA with a \$10K grant to host the 2014 Perth Track Cycling Grand Prix. This grant was provided courtesy of DSR's Sport International program.

The Perth Track Cycling Grand Prix is a Cycling Australia and UCI category 3 event for both men and women elite riders, with support events also offered for local riders. The event took place on in June 2014 and attracted a quality field of riders. The event also provided an opportunity for local coaches, officials and commissaires to develop their skills through exposure to some of the world's leading competitors and educators.

#### **Albany Urban Downhill**

Through DSR's Country Sport Enrichment Scheme we were also able to secure a \$10K grant to support the inaugural Albany Urban Downhill event held in June 2014.

This event was the first of its kind in Australia and saw around 100 mountain bike riders reach speeds of 70 km/h as they descended Mt Claremont to the finish line near the Albany Entertainment Centre.

In addition to supporting the event the grant funding also enabled local riders to participate in skills clinics with 5 Times World Champion Sam Hill and Australian Junior Team member Jackson Davis. We look forward to the continued growth of the Albany Urban Downhill event in the years to come.

## KEY ACTIVITIES (Continued)

### ADVOCACY

The cycling community is unanimous in wanting to see more being done to create a safer cycling environment in Western Australia. To do this, we need to transform our streets, roads and local communities into places for people where cycling is safe and normal. Our key challenge here is to create an environment where adults aren't afraid to ride or let their children do so.

The 'Our Bike Path' strategic framework we launched in March 2014 provides a policy blueprint for what needs to be done to create a safer cycling environment in Western Australia. Some of the relevant actions contained within the framework include:

- Expanding and improving our network of cycling paths and on-road cycling routes;
- Reducing speed limits along key cycling routes and around schools, shopping centres and public transport interchanges;
- Introducing road and cycle safety awareness campaigns;
- Targeted action to reduce bike rider black spots;
- Improving the legal and regulatory protection of cyclists;
- Introducing legislation and associated educational campaigns that support a minimum overtaking distance of cyclists;
- Ensuring that all road design, transport and traffic management schemes are checked to include plans and consideration for cyclists;
- Expanding the delivery of bike education and cycle training programs to children;
- Introducing cycle awareness and cycling specific components to WA drivers license handbooks, practical and theoretical tests; and
- Gaining direct representation for cyclists on the Road Safety Council.

The Road Traffic (Keeping Safe Distances from Bicycles) Amendment Bill 2014 was introduced into WA Parliament in March 2014 by Lynn MacLaren MLC and we still hold out hope that this legislation will be supported. We will continue to campaign hard for the introduction of this legislation over the coming year.

WestCycle also represented the cycling community on the Vulnerable Road Users Advisory Group and a number of other government convened reference groups such as the Department of Transport convened Western Australian Bicycle Network Plan Reference Group and the Main Roads convened Review of Traffic Management on Local Roads Reference Group.

In addition to this, WestCycle also provided input into the 'Review into Road Safety Governance' commissioned by the Minister for Road Safety as we continue our push for direct cycling representation on the Road Safety Council.





## 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

<b>LEADERSHIP &amp; COORDINATION: The WA cycling community is working in collaboration to advance and promote cycling</b>	<b>Progress</b>
<b>Target 1:</b> Development and endorsement of a Statewide Strategic Plan for Cycling	<span style="color: green;">●</span>
<b>Target 2:</b> Development of a WA Mountain Bike Strategy and Sustainability Framework	<span style="color: green;">●</span>
<b>Target 3:</b> Colocation office facility established and shared by all state cycling representative bodies	<span style="color: green;">●</span>
<b>Target 4:</b> Coordinated events calendar	<span style="color: orange;">●</span>
<b>Target 5:</b> Launch of WestCycle website	<span style="color: green;">●</span>
<b>Target 6:</b> Actions identified on how to progress common insurance issue	<span style="color: orange;">●</span>

<b>ADVOCACY: WestCycle is acknowledged as a trusted advocate working towards positive change for the cycling community</b>	<b>Progress</b>
<b>Target 1:</b> WestCycle is recognised as the voice to cycling to government in WA	<span style="color: orange;">●</span>
<b>Target 2:</b> Membership base to include all state cycling representative bodies	<span style="color: green;">●</span>

<b>RESOURCES: The WA cycling community is well resourced</b>	<b>Progress</b>
<b>Target 1:</b> Commercialisation strategy developed and targets established	<span style="color: orange;">●</span>
<b>Target 2:</b> Yearly growth in non-grant funded revenue streams	<span style="color: green;">●</span>
<b>Target 3:</b> Growth in the amount of funds distributed to our member organisations for cycling initiatives	<span style="color: green;">●</span>

## LOOKING AHEAD

We are delighted to have recently been awarded the contract to promote and coordinate Bikeweek 2015 on behalf of the Department of Transport. Bikeweek 2015 will run from Saturday 14 March to Sunday 22 March 2015 and we look forward to taking this annual celebration of all that is great about cycling to a whole new level in 2015.

During the first part of 2015 we also hope to finalise and launch our much anticipated Strategic Cycling Facilities Plan for WA. This plan takes an in-depth look at the current road, track and BMX facilities being used in WA and provides advice and recommendations on the current and future facilities needs of the sport over the next 5 - 10 years.

We will also seek to take a more active approach to transport advocacy. With this point in mind we have already entered into an MOU with the Bicycle Transport Alliance to support this objective. We also plan to embark on an ambitious project that will see us pull together the entire cycling community to develop an advocacy campaign that the entire cycling community is a part of.

Funding has now been secured through Lotterywest and the Department of Parks & Wildlife for the development of a Mountain Bike Master Plan for the Perth and Peel regions. This project will commence in January 2015 and WestCycle will once again work in partnership with WAMBA to project manage this initiative.

We are also keen to develop and improve our commercial capabilities so that we are less reliant on government funding into the future. Grant funding and sponsorships are also essential to the ongoing viability of our member organisations and boosting investment for cycling will continue to be a key strategic focus of ours in 2014/15.

In addition, the next 12 months will see us continue to progress all of the key initiatives already highlighted in this report.



# AUDIT REPORT

Stantons International Audit and Consulting Pty Ltd  
trading as

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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 Assets and Liabilities Statement as at 30 June 2014, the Income and Expenditure Statement, Statement of Cash Flows and Statement of Changes in Equity for the year ending 30 June 2014, 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 association 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 *Western Australian Associations Incorporation Act 1987* 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

### **Qualification**

A portion of the entity's income is cash derived from operations that are not fully controlled prior to entry into the accounting records. Accordingly, it is not possible for us to determine if all income has been recorded and our verification of the company's income and cash in hand has been limited to the amounts recorded in the accounting records.

### **Auditor's Opinion**

In our opinion, subject to the matter referred to in the qualification paragraph, the special purpose financial report presents fairly, in all material respects, the financial position of Westcycle Incorporated as at 30 June 2014 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 Inc (Non-reporting) 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)

*Stanton International*

*Samir*

**Samir Tirodkar**  
Director

West Perth, Western Australia  
23 September 2014

# FINANCIAL STATEMENTS

For the period 1 July 2013 to 30 June 2014

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## **DIRECTORS' REPORT**

The Directors submit the special purpose financial statements of the Association for the year ended 30 June 2014

### **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 \$79,191.

### **LIKELY FUTURE DEVELOPMENTS**

The entity will continue to bring the Western Australia cycling community together as a united voice and to facilitate the development of cycling at all levels and across all elements.

### **DIRECTORS' BENEFITS**

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

## DIRECTORS' REPORT

### Directors Report (Continued)

#### INFORMATION ON DIRECTORS

##### CURRENT DIRECTORS

Craig Smith-Gander	Chairman and Independent Director
Fiona Wood	Independent Director
Neil Hackett	Independent Director
Brad Pettitt	Independent Director
Rod Annear	Representative Director - Recreation Cycling
Paul Lavery	Representative Director - Transport Cycling
Mike Rendell	Representative Director - Competitive Cycling
Jane Cutler	Independent Director
Tony Anderson	Independent Director

##### 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	8	8
Fiona Wood	8	3
Neil Hackett	8	8
Brad Pettitt	8	5
Rod Annear	8	7
Paul Lavery	8	5
Mike Rendell	8	7
Jane Cutler	8	6
Tony Anderson	8	6



## **DIRECTORS' REPORT**

### **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 2014:

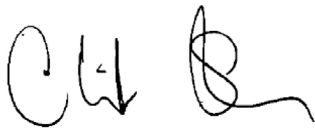
Department of Sport & Recreation                      \$ 1,410,000 (2014/15 to 2016/17)

WestCycle has also been awarded the contract from the Department of Transport for the coordination and promotion of Bikeweek 2015. The value of this contract is \$75,000 (inc GST).

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 23rd day of September 2014

Signed in accordance with resolution of the board of directors:



Clint Shaw

**CHIEF EXECUTIVE OFFICER**



Craig Smith-Gander

**CHAIRMAN**

## 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 2014 as set out in the Assets and Liabilities Statement, Income and Expenditure Statement, Statement of Cash Flows, Statement of Changes in Equity and Notes to and forming Part of the Accounts –

1. Present a true and fair view of the financial position of WestCycle Incorporated as at 30 June 2014 and for the year then ended.
2. 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:

A handwritten signature in black ink, appearing to read 'C. Smith-Gander'.

Craig Smith-Gander

**CHAIRMAN**

## STATEMENT of Income & Expenditure

For the year ended 30 June 2014

		2014	2013
		\$	\$
<b>Income</b>			
Unexpended grants carried forward		310,219	156,743
Grant Income	<b>2</b>	674,450	956,991
Revenue from operations	<b>3</b>	203,855	-
Other Income	<b>4</b>	71,642	30,757
<b>Total Income</b>		<b>1,260,166</b>	<b>1,144,491</b>
<b>Expenditure</b>			
Grants Paid	<b>5</b>	241,319	267,500
Expenses from operations	<b>5</b>	77,902	-
Contractor fees	<b>5</b>	202,175	211,091
Administration expenses	<b>5</b>	79,523	37,448
Employee benefit expense	<b>5</b>	336,528	186,976
Advertising	<b>5</b>	10,688	6,769
Insurance	<b>5</b>	4,805	3,828
Occupancy cost	<b>5</b>	81,800	29,357
Audit fees		5,045	3,000
Accounting & Legal fees		11,220	1,801
Depreciation		19,080	4,823
<b>Total Expenditure</b>		<b>1,070,085</b>	<b>752,593</b>
<b>Surplus before transfer</b>		<b>190,081</b>	<b>391,898</b>
<b>Transfer to unexpended grants</b>		<b>(\$110,890)</b>	<b>(\$310,219)</b>
<b>Net surplus/(deficit) to accumulated funds</b>		<b>79,191</b>	<b>81,679</b>

## STATEMENT of Assets and Liabilities

As at 30 June 2014

		2014 \$	2013 \$
<b>Current Assets</b>			
Cash and cash equivalents	6	352,247	156,743
Other receivables	8	35,989	407,406
<b>Total current assets</b>		<b>388,236</b>	<b>411,344</b>
<b>Non-Current Assets</b>			
Property plant and equipment	7	62,537	59,070
Other receivables	8	5,127	5,127
<b>Total Non-Current Assets</b>		<b>67,664</b>	<b>64,197</b>
<b>Total Asset</b>		<b>455,900</b>	<b>475,541</b>
<b>Current Liability</b>			
Trade & Other payables	9	159,884	68,830
Provisions	10	19,196	9,753
Unexpired grants/receipts	11	110,890	310,219
<b>Total Current Liabilities</b>		<b>289,970</b>	<b>388,802</b>
<b>Non-Current Liabilities</b>			
Trade and Other payables	9	2,834	2,834
<b>Total Non-Current Liabilities</b>		<b>2,834</b>	<b>2,834</b>
<b>Total liabilities</b>		<b>292,804</b>	<b>391,636</b>
<b>Net assets</b>		<b>163,096</b>	<b>83,905</b>
<b>Accumulated Funds</b>			
Opening balance at 1 July		83,905	2,226
Current period surplus		79,191	81,679
<b>Balance Accumulated Funds</b>		<b>163,096</b>	<b>83,905</b>

## STATEMENT of Cash Flows

For the year ended 30 June 2014

	2014 \$	2013 \$
<b>Cash flows from activities during the period</b>		
Grants received	674,450	933,054
Grants Paid	(241,319)	(267,500)
Payments to suppliers, consultants and employees	(741,241)	(431,814)
Interest received	8,105	8,253
Other income received	267,392	42,504
<b>Net cash inflow from activities during the period</b>	<b>12 (32,613)</b>	<b>284,497</b>
<b>Cash flows from investing activities</b>		
Deposits paid	-	(3,927)
Acquisition of plant and equipment	(22,546)	(61,280)
<b>Net cash outflow from investing activities</b>	<b>(22,546)</b>	<b>(65,207)</b>
<b>Cash flows from financing activities</b>		
Deposit received	-	2,834
<b>Net cash flows from financing activities</b>	<b>-</b>	<b>2,834</b>
Net increase/(decrease) in cash held	(55,159)	222,124
Cash at the beginning of the financial period	407,406	185,282
<b>Cash at the end of the financial period</b>	<b>6 352,247</b>	<b>407,406</b>

## STATEMENT

### Of Changes In Equity

For the year ended 30 June 2014

	2014	2013
	\$	\$
Accumulated funds balance at the commencement of the year	83,905	2,226
Gross surplus (deficit) from operations	190,081	391,898
Transfer out to unexpended grants	(110,890)	(310,219)
<b>Accumulated funds balance at 30 June 2014</b>	<b>163,096</b>	<b>83,905</b>

## **NOTES TO AND FORMING PART OF THE** **Financial Statements**

For the period 1 July 2013 To 30 June 2014

### **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 applicable Australian Accounting Standards.

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

For the period 1 July 2013 To 30 June 2014

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT...

#### 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 Diminishing value basis using rates which are based on the expected useful lives for each class of depreciable asset. At 30 June 2010 these were:

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
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.

## NOTES TO AND FORMING PART OF THE Financial Statements

For the period 1 July 2013 To 30 June 2014

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT...

#### *(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.

#### *(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:

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

## NOTES TO AND FORMING PART OF THE Financial Statements

For the period 1 July 2013 To 30 June 2014

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONT...

#### 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.

	2014 \$	2013 \$
<b>Note 2 Grant income</b>		
Grant from Department of Sports & Recreation (exclude deferred grant income)	614,600	783,700
Grants from LotteryWest	15,000	109,091
Grant from Department of Parks and Wildlife	25,000	-
Grant from Department of Environment and Conservation	-	20,000
RAC - WA	19,850	44,200
	<b>674,450</b>	<b>956,991</b>
<b>Note 3 Revenue from operations</b>		
Membership fees	57,731	-
Participant fees	140,433	-
Other	5,691	-
	<b>203,855</b>	<b>-</b>
<b>Note 4 Other income</b>		
Interest Income	8,106	8,253
Other income	63,536	22,504
	<b>71,642</b>	<b>50,757</b>

## NOTES TO AND FORMING PART OF THE Financial Statements

For the period 1 July 2013 To 30 June 2014

	2014	2013
	\$	\$
<b>Note 5 Expenses from Continuing Operations</b>		
Grants Paid		
Cycling WA	146,589	215,000
BMX Sport WA	45,130	30,000
Dismantle	-	3,000
Perth Integrate	-	2,000
Bicycling WA	20,000	-
Bicycle Transport Alliance		7,500
Track Cycling WA	10,000	10,000
Albany Mountain Bike Club	10,000	-
Perth Mountain Bike Club Inc.	5,000	-
Other	4,600	-
	<b>241,319</b>	<b>267,500</b>
<b>Expenses from operations</b>		
Instructor Fees	33,697	-
Event Entry Fees	33,840	-
Other Fees	10,365	-
	77,902	-
<b>Contractor Fees</b>		
Contractor Fees	202,175	211,091
	<b>202,175</b>	<b>211,091</b>
<b>Administration Expenses</b>		
Travel and accommodation	9,833	744
Other administrative expenses	69,690	36,704
	<b>79,523</b>	<b>37,448</b>
<b>Employee benefits expenses</b>		
Wages and salaries	299,069	168,212
Leave entitlements	9,444	3,918
Other payroll expenses	28,015	14,846
	<b>336,528</b>	<b>186,976</b>

## NOTES TO AND FORMING PART OF THE Financial Statements

For the period 1 July 2013 To 30 June 2014

### Note 5 Cont

	2014	2013
	\$	\$
<b>Advertising</b>		
Publications	1,656	6,769
Other	9,032	-
	<b>10,688</b>	<b>6,769</b>
<b>Insurance</b>		
Work-cover insurance	1,722	911
Other insurance	3,083	2,917
	<b>4,805</b>	<b>3,828</b>
Occupancy Cost		
Office rental	77,857	28,776
Other occupancy cost	3,943	581
	<b>81,800</b>	<b>29,357</b>

### Note 6 Cash & cash equivalents

Cash at Bank	352,247	407,406
	<b>352,247</b>	<b>407,406</b>

### Note 7 Property plant and equipment

Plant and Equipment at Cost	87,025	64,480
Less: Accumulated Depreciation	(24,488)	(5,410)
	<b>62,537</b>	<b>59,070</b>

### Note 8 Receivables

Current receivables		
Trade receivables	35,989	3,938
	<b>35,989</b>	<b>3,938</b>
Non-current receivables		
Security Deposit	5,127	5,127
	<b>5,127</b>	<b>5,127</b>

## NOTES TO AND FORMING PART OF THE Financial Statements

For the period 1 July 2013 To 30 June 2014

	2014	2013
	\$	\$
<b>Note 9 Trade &amp; Other payables</b>		
Current payables		
Trade and other payables	(102,390)	(21,796)
Tax liabilities	(25,121)	(34,898)
Accruals	(32,373)	(12,136)
	<b>(159,883)</b>	<b>(68,830)</b>
<b>Non-Current payables</b>		
Deposit held	(2,834)	(2,834)
	<b>(2,834)</b>	<b>(2,834)</b>
<b>Note 10 Provisions</b>		
Provision for leave entitlements	(19,196)	(9,753)
	<b>(19,196)</b>	<b>(9,753)</b>
<b>Note 11 Unexpired grants/receipts</b>		
Unexpended grant during the period	(110,890)	(310,219)
	<b>(110,890)</b>	<b>(310,219)</b>

## NOTES TO AND FORMING PART OF THE Financial Statements

For the period 1 July 2013 To 30 June 2014

<b>Note 12</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Reconciliation of Cash Flow from Operating Activities</b>		
Net Income	79,191	81,678
<b>Adjustment for non cash items:</b>		
Depreciation	19,078	4,824
<b>Change in operating assets and liabilities</b>		
(Increase)/decrease in unspent grant	(199,329)	153,475
Increase/(decrease) in trade and other receivables	(32,051)	(3,937)
Increase/(decrease) in trade and other payables	91,055	44,539
Increase/(decrease) in provisions	9,443	3,919
<b>Net Cash Inflow /(Outflow) from operating activities</b>	<b>(32,613)</b>	<b>284,498</b>

### **Note 13 Auditor's remuneration**

Remuneration of the auditor of the Company for  
- Auditing or review the financial report

6,000	4,000
<b>6,000</b>	<b>4,000</b>

### **Note 14 Commitments and Contingencies**

Other than those stated elsewhere in this financial report, there were no commitments or contingencies at 30 June 2014



## NOTES TO AND FORMING PART OF THE Financial Statements

For the period 1 July 2013 To 30 June 2014

### Note 15 Subsequent Events

WestCycle has received the following grants since 30 June 2014:

Department of Sport & Recreation      \$ 1,410,000 (2014/15 to 2016/17)

WestCycle has also been awarded the contract from the Department of Transport for the coordination and promotion of Bikeweek 2015. The value of this contract is \$75,000 (inc GST).

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 16 Grants Utilisation

#### Receipts:

Unexpended grants carried forward Grants received during the financial year      310,219

Grants received during the financial year      674,450

#### Disbursements of Grants:

Expenses through Statement of Income and Expenditure      (851,333)

Purchase of Property, Plant and Equipment      (22,546)

**Grants deferred to the next financial year      110,890**

(Cash basis)



[www.westcycle.org.au](http://www.westcycle.org.au)



GOVERNMENT OF  
WESTERN AUSTRALIA  
Department of  
Sport and Recreation



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