



WESTCYCLE INCORPORATED
ANNUAL REPORT 2014/2015

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

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.

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

FULL MEMBERS



**Bicycle
Transportation
Alliance**
'Promoting everyday cycling'



AFFILIATE MEMBERS



GOSNELLS BUG

ALBANY BUG

NORTHERN DISTRICTS
COMBINED COMMUNITY
GROUPS ASSOCIATION

TRI STUFF

MEMBERS LISTING IS CURRENT AS AT 1 OCTOBER 2015

SPONSORS & PARTNERS

PRINCIPAL PARTNER & SPONSOR



Department of
Sport and Recreation

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

It has been 4 years since the creation of WestCycle as the State's Peak Cycling Body charged with coordinating the competitive, recreational, and transport elements of cycling across Western Australia. The 2015 financial year has seen significant change at WestCycle and many achievements including:

- Retirement of inaugural Chairman Craig Smith-Gander and Directors Fiona Wood and Tony Anderson
- Appointment of myself as Chairman and new Directors Kellie Lewis, Gary McGrath and Hayley Lawrance
- Appointment of Matt Fulton as Chief Executive Officer following resignation of former CEO Clint Shaw
- Awarded Successful Tenderer to deliver BikeWeek for all Western Australians for 2015 and 2016
- Restructuring and strengthening of CycleSport Western Australia
- Funding and development of the Western Australian, South West, Perth and Peel Mountain Bike Strategies
- Funding and development of State-Wide Cycling Facilities Plan
- Securing additional funding to employ staff and provide administration support within WestCycle and to our member organisations and the cycling community
- Recruitment of 9 additional Western Australian cycling member organisations, and
- Continued implementation of shared services model across WestCycle and our member organisations.

WestCycle, in partnership with its member organisations and the cycling community at large, has taken a larger advocacy role to help achieve the Targets within "Our Bike Path - the Strategic Framework for Cycling in Western Australia from 2014 to 2020". We are the recognised voice of Western Australian cyclists to the WA State Government and have built a strong relationship with the Ministers and Senior Staff of the Departments of Sport and Recreation, Transport, Health, Police, Road Safety and the Premiers' Office together with community organisations and the media. Going forward we will continue to grow and provide a stronger voice on behalf of all cyclists, actively promoting their needs and protecting their rights.

We believe that no-one has a monopoly on cycling in WA and that the only way cycling can create a healthier and more active Western Australia is through a unified partnerships with all our member organisations, our affiliate members, community stakeholders and the public at large. WestCycle prides itself on having a volunteer board of professionally qualified Directors who are all active cyclists across the various cycling disciplines. We regularly participate in community cycling events, ride together as a Board, and aspire to be fit and healthy.

We are extremely thankful to the State for its continued financial support to cycling during difficult economic conditions and we acknowledge that many of our member organisations are under financial strain. As the custodian of taxpayer funds we are required to allocate OSP and Grant Funding in the manner which we believe will best achieve the goals outlined within "Our Bike Path 2014 - 2020". We deliberate carefully and spend many hours debating the financial allocations, and whilst we acknowledge the allocations may not please everyone, they are done in an independent and professional manner taking into account the needs of all our member organisations. To that end WestCycle is seeking to take advantage of new funding opportunities and commercial partnerships which will enable cycling to grow at every level.

CHAIRMAN'S MESSAGE (CONTINUED)

My biggest disappointment is that cycling safety has not improved during 2015. Despite all of our efforts the cycling community continues to lose loved ones. WestCycle continues to meet with the Minister for Road Safety to pursue actions and initiatives to improve cycling safety however we must all continue to show leadership and do everything we can to promote safety in everything we do.

Finally I would like to express my sincere thanks to our members, my fellow WestCycle Directors, our tireless and enthusiastic CEO, all our WestCycle staff, and The Department of Sport and Recreation Minister Mia Davies, Director General Ron Alexander and senior DSR Staff who have all provided significant support and guidance throughout the year.

Thank you



NEIL HACKETT
CHAIRMAN



CEO MESSAGE

2014/15 was an exciting 12 months for bike riding in Western Australia with participation continuing its growth trajectory. A survey conducted by the Australian Bicycle Council has estimated that there are 600,000 people riding a bike on a weekly basis, representing 23% of the Western Australian population. This makes us the number one state per capita and I'm happy to now call Western Australia the cycling capital of Australia. The downside to this rapid growth is that infrastructure development cannot keep up with the 50% increase in the number of cyclists we've seen in just a 2 year period. This has led to the media capitalising on a perceived war on our roads which is in fact fuelling it further. We continue to work with our members, local Governments and the State Government on infrastructure improvements and I strongly encourage all bike riders to make the first move in building mutual respect with all road users.

WestCycle remains focused on delivering against Our Bike Path to work towards our vision for Western Australia. By 2020 we aim to be "a state that embraces cycling in all its forms, with a safe cycling environment, a strong cycling culture where riding a bike is a normal way our children get to school." The bike riding community is making strong progress in many areas but there is still a lot to be done. This vision will continue to motivate and drive our organisation, how we interact with our members and the cycling public.

One of our key focuses is to create a more aligned group of cycling bodies and capitalise on a shared services model that removes duplication to help strengthen our industry. We now have a number of our member organisations working within the one office; Bicycling Western Australia; BMX Sports Western Australia; CycleSport Western Australia; West Australian Mountain Bike Association; Bicycle Transport Alliance; the Munda Biddi Trial Foundation have all taken advantage of this approach over the last year. Moving into the new year we will look to further strengthen this model to make all organisations more viable and stronger with shared knowledge.

WestCycle has focused on creating a model that is set for scalability into the future as we move to our second phase of our organisational growth. We are implementing structures and processes that will enable us to capitalise on growth and increase the support we can provide our members and the bike riding community. We look forward to sharing our new strategic vision with our members.

Looking across the various disciplines of cycling we have seen success across the board. 2014/15 was a significant year for mountain biking with the launch of the Western Australian Mountain Bike Strategy and the development of the South West Mountain Bike Master Plan, commencement of the Perth and Peel Mountain Bike Master Plan and the Western Australia Mountain Bike Management Guidelines. The funding from the State Government going into mountain biking is significant and we acknowledge the support we have received, and continue to receive, from the Department of Sport and Recreation, the Department of Parks and Wildlife and Lotterywest. These achievements are testament to the strong working relationship we have with WAMBA and I personally thank President Louise Wallace and the entire Committee for their support over the year.

BMX has seen strong growth in their membership numbers especially in the 3 – 15 year demographic, which develops bike riding at a grassroots level. BMX Sports WA CEO Tania Wehr, and the board continue to strive for excellence for their members and we look forward to a strong relationship continuing moving forward.

CEO MESSAGE (CONTINUED)

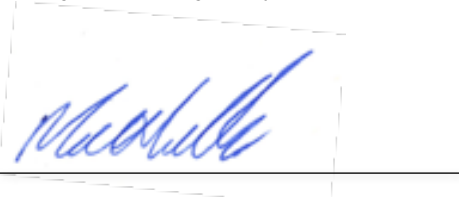
Road and track cycling have had a fantastic year under the guidance of Daniel o'Donoghue, President of CycleSport Western Australia (CSWA) and the entire board of directors. After a difficult couple of years it's pleasing to see the organisation realise two successive years of profit, which will enable them to reinvest to the benefit of their members. The service agreement we have with CSWA is proving successful in providing a very cost effective model that has the board of CSWA provide the strategic leadership and WestCycle providing the operational arm of the organisation.

The adoption of bikes as a method for transport is becoming more and more normalised with the focus from the Bicycle Transport Alliance which had a successful year working with local and State Government in advocacy areas. Heinrich Benz, BTA CEO, was employed by WestCycle for the year which gave a greater focus in this area and the realization that more work needed to be done in this area in future years. At the conclusion of the year Heinrich announced he was stepping down from the BTA and I would like to take the opportunity to thank Heinrich for the significant contribution he has made to bike riding in Western Australia over numerous years. All cyclists today benefit from the work Heinrich has done over the past number of years.

Bicycling Western Australia continues to be a very strong organisation in the recreational riding space with strong membership and stellar events, which set a benchmark for how events should be run in the state. CEO Jeremy Murray and the Board of BWA continue to be focused on getting "more people cycling more often" and we look forward to working with BWA in the future, looking for ways we can continue to engage the recreational cyclists throughout Western Australia.

On a personal note, I have been fortunate enough to start in a role where a lot of hard work had been done by the team. We have been a small team, and the passion, dedication and hard work of Sarah Smith and Toby Hodgson is evident, with people often surprised to hear that there were only 3 people in the WestCycle team until recently. Moving into the new year we are increasing the capacity of our team with the appointment of four new positions. Clint Shaw left WestCycle in February after guiding the organisation from its inception, which was a significant accomplishment. Clint's diplomatic nature and vision has created an organisation which has been set up to flourish into the future. I would like to thank Clint for setting a legacy for cycling in Western Australia and the extraordinary contribution that he has personally made. I would also like to thank the Board of WestCycle for the considerable support they have given me since starting in February. They have been open to change, focused in their strategy and direction and available for support. All Directors are volunteers, on behalf of the cycling community I thank them for giving up their personal time to benefit bike riding.

Finally and most importantly, 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 every level in Western Australia. Cycling would not have the profile and participation levels it has today without your passion and involvement.



MATT FULTON

CHIEF EXECUTIVE OFFICER

KEY ACTIVITIES

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

'Our Bike Path: A Strategic Framework for Cycling in Western Australia' continues to guide WestCycle on a daily basis. The document forms our guiding principle on everything from how money is distributed to members through to our priorities and focuses. The plan is not about any one cycling organisation, discipline or government agency. It's a plan for all forms of cycling and for everyone associated with developing and supporting bike riding in Western Australia: our clubs, cycling groups, local councils, government agencies, volunteers, administrators and riders.

Whilst progress is being made against many of the key targets set such as increasing participation, infrastructure improvements and sporting success there is still a lot that needs to be done if we are to realise our vision. Stated targets around children's participation, safety, image and transport mode share all will require renewed focus, not only from WestCycle but all of our member organisations

GRANT DISTRIBUTIONS

As the peak body for cycling, WestCycle continued to be responsible for the distribution of grant funding to a number of different cycling organisations in 2014/15.

ORGANISATIONAL SUSTAINABILITY PROGRAM (OSP)

Cycling continues to be one of the highest funded sports by the Department of Sport and Recreation (DSR). The OSP program sees DSR invest into the strategic intent and operational plans of State Sporting Associations. 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 2014/15 a total of \$230,000 was allocated to support and strengthen our member cycling organisations and their strategic plans.



KEY ACTIVITIES (CONTINUED)

In addition to OSP funding, close to \$100,000 of additional grants were funded to cycling organisations either directly or indirectly from WestCycle with money being received from the Department of Sport and Recreation; the Department of Transport; the Department of Parks and Wildlife and Lotterywest.



Department of
Sport and Recreation



Department of
Transport



Department of
Parks and Wildlife



KEY ACTIVITIES (CONTINUED)

SAFETY

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 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.

WestCycle 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 Implementation Reference Group.

In November 2014 WestCycle held a discussion forum to look into areas that need addressing to increase rider safety. Moving into the 2015/16 we will be formalising the recommendations from this forum and focusing our efforts on a few key initiatives. We continue to develop our relationship with the Road Safety Commission and encourage all members to actively engage with WestCycle so we can reverse the poor record of road safety through Western Australia.

Due to the increasing need in the area of advocacy, education, safety and community programs we have created a full time position: Community Engagement Operations Manager. Key deliverables in this role include; advocacy, safety and infrastructure as well as managing Bikeweek 2016 and managing the Bike Skills program.



KEY ACTIVITIES (CONTINUED)

EDUCATION

Education at all levels remains one of the key priorities to increase the safety of people riding bikes. If we can educate young children on the basics of bike handling this will lead to more people cycling and more people having a greater appreciation for bike riding. We also need to look within and focus on educating all bike riders on how to ride safely and in line with a code of conduct that will generate mutual respect amongst all road users. Almost all of our member organisations are engaged in education in one way or another and we encourage the further development of this.

WestCycle continues to run the Bike Skills program which is designed to improve participant bike handling skills, knowledge and understanding of safer bike riding and levels of confidence. Cycling Australia has also recently launched a national program called “Let’s Ride” which WestCycle will be supporting moving forward.

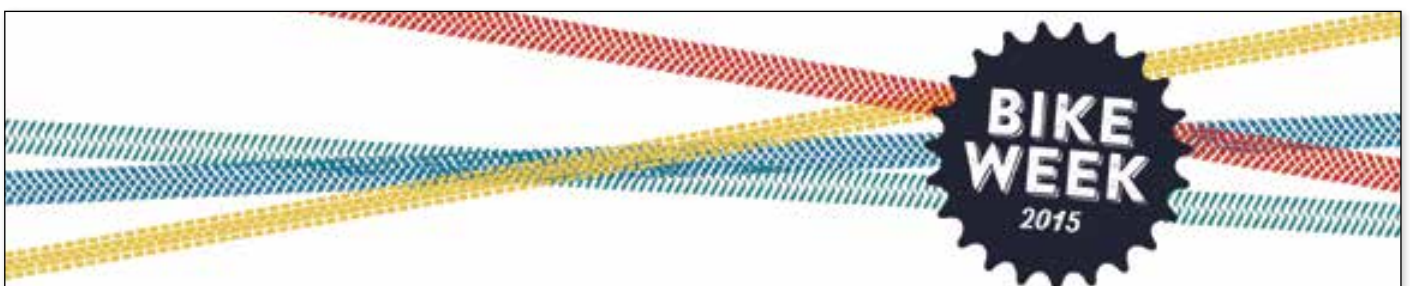


BIKE WEEK 2015

Launching a new website and branding was the first step for a successful 2015 Bike Week. With a strong emphasis on visual connection through our media partners – Media on Mars and PPR the social networks were abuzz with great images, strong bike riding messages and lots of newspaper press. Backing that up was a Facebook, Instagram and Twitter program that still registers interest and encourages more bike riding.

Over 5 million media impressions let people access the 53 events attracting 10,600 participants. The variety of activities diversified significantly this year, across the state from Onslow to Esperance. We saw the first bike powered movies in Perth, bike comedy, treasure hunts and international guests. More than \$25,000 in grants was given to a variety of organisations including clubs, Local Government and other passionate organisations.

The festival atmosphere will carry forward for Bike Week 2016, which we are once again coordinating. More community groups are being encouraged to do something different for Bike Week. It’s going to be another party, more fringe than formal, more romantic comedy than documentary. Grants will be available, streamlined and supported by a strong social media presence established in 2015. It’s going to grow and encourage more people to ride on more local trips.



KEY ACTIVITIES (CONTINUED)

WESTERN AUSTRALIAN CYCLING FACILITIES STRATEGIC PLAN

Bike riding is one of the world's fastest growing recreation and sport activities. Australia is following this global trend with cycling enjoying some of the highest participation rates of any recreational or sport activity in the country with 23% of Western Australian's riding a bike each week. It is therefore important that we are providing the required facilities for the activity of cycling to continue along this growth path.

During the year WestCycle finalised the draft of the WA Cycling Facilities Strategy, which has been funded by the Department of Sport and Recreation. The plan identifies a need for facilities across disciplines in different regions and we look forward to working with the Department of Sport and Recreation, local Government and our members to continue the momentum in facility planning.

WESTERN AUSTRALIAN MOUNTAIN BIKE STRATEGY

In May 2015, WestCycle, along with the West Australian Mountain Bike Association (WAMBA) with the support of the Department of Sport and Recreation and the Department of Parks and Wildlife, launched the Western Australian Mountain Bike Strategy.

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 high quality, sustainable mountain bike trails in appropriate locations, ensuring the state's 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.

Through \$450,000 of funding received from the Department of Sport and Recreation over three years the roll out of the recommendations contained within the document will commence in late 2015.



KEY ACTIVITIES (CONTINUED)

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 is the first regional Master Plan developed out of the recommendations of the Strategy. The Master Plan is due to be launched towards the end of 2015, following which we will be seeking funding for the development of three nationally significant locations in Margaret River, Pemberton and Collie/Wellington.

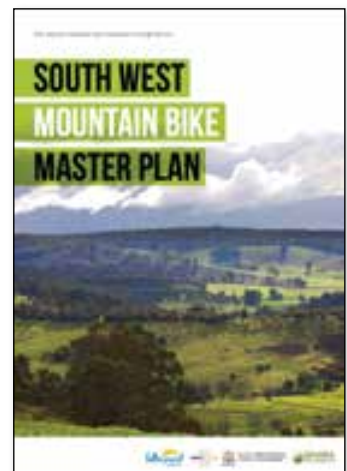
PERTH AND PEEL MOUNTAIN BIKE MASTER PLAN

Development of the Perth and Peel Mountain Bike Master Plan is well underway. Funding secured from Lotterywest and the Department of Parks and Wildlife has enabled the appointment of a trail planning consultant. Together with WestCycle and the project's Steering Committee, the consultant is working closely with landowners, land managers, the mountain bike community and other key stakeholders across the two regions to identify, assess and prioritise locations where mountain bike development could happen. It is anticipated that a draft Master Plan will be released for public comment towards the end of 2015.

WESTERN AUSTRALIAN MOUNTAIN BIKE MANAGEMENT GUIDELINES

The Western Australian Mountain Bike Management Guidelines provide best practice for high quality and sustainable trail planning, design, construction and management and a staged development process to guide trails from conception to implementation. Developing the Guidelines is a key recommendation of the Western Australian Mountain Bike Strategy and will guide and facilitate the delivery of mountain bike trails at locations identified by regional master-planning.

Preparation of the Guidelines was highly collaborative with a working group consisting of representatives from WestCycle, WAMBA, Department of Parks and Wildlife and Department of Sport and Recreation and the mountain bike community driving the process.



KEY ACTIVITIES (CONTINUED)

CYCLESPOORT WESTERN AUSTRALIA

2014/15 represented the first full financial year for CycleSport Western Australia (CSWA). Under the leadership of the board of CycleSportWA, Clint Shaw (CEO up to February 2015) and Toby Hodgson (Operations Manager), the organisation is now in a financially positive position, which will allow an increase in services to Cycling Australia members and the clubs throughout Western Australia.

The structure of the organisation sees the board provide the strategic direction and WestCycle delivering the services of the organisation. Through this streamlined and efficient approach, a significant contribution by the Department of Sport and Recreation and the hard work and dedication of Toby Hodgson, CSWA is now on the cusp of a new and exiting phase for road and track cycling in Western Australia.



KEY ACTIVITIES (CONTINUED)

SPORTING SUCCESS

Western Australia has had a number of athletes perform and succeed at the pinnacle of their sports over the last year and as a state we certainly over deliver in this area. The Western Australia Institute of Sport (WAIS) continues to support cycling with their programs, we thank Clay Worthington and Andrew Jackson and welcome Teagan Wilkie to them team. Success has been gained by many:

BMX:

- Lauren Reynolds, Rachelle Smith and Bradley Game all represented Australia at the BMX World Championships held in Zolder, Belgium.

MTB:

- Craig Cooke (XC) recently won the 2015 Tour de Timor
- Jordan Prochyra (DH) qualified for two World Cups and competed in the World Championships in Andorra
- Carl Pickersgill (DH) qualified for one World Cup
- Reece Tucknott (XC) qualified for 3 World Cups and competed in the World Championships in Andorra
- Sam Hill competed in the World Championships in Andorra

ROAD AND TRACK:

There were numerous successes on both the road and the track over the last 12 months, with the following people achieving significant results at a range of World Championships, competitions and events:

- Nigel Barley, Mel Hoskins, Bella King, Robert Power, Sam Welsford, Elissa Wundersitz, Michael Storer, Darcy Pirotta, Jai Hindley, Luke Durbridge, Alex Rendell, Tahlay Christie, Cameron Meyer and Scott Sunderland.



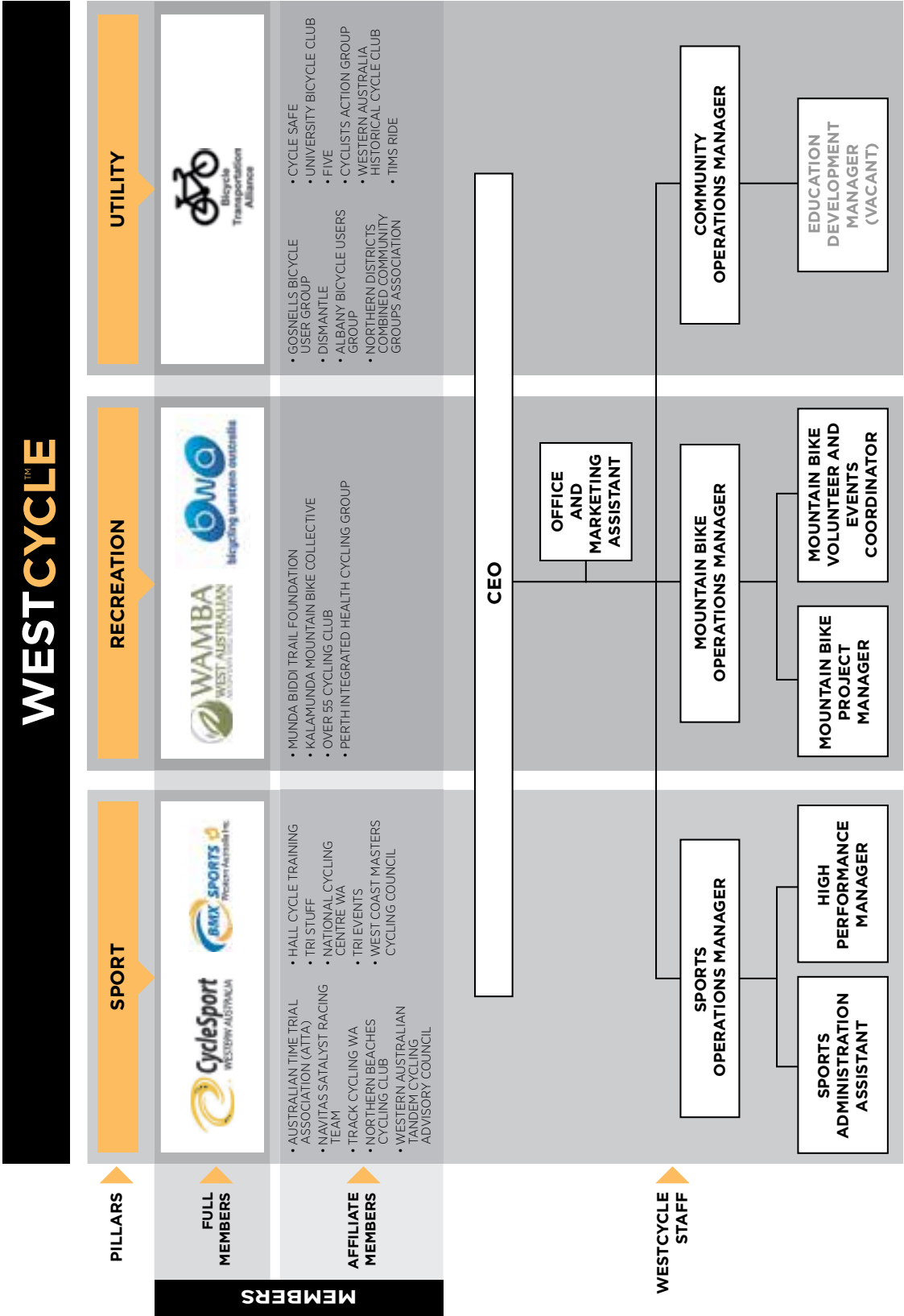
LOOKING FORWARD

At the end of 2015 WestCycle will be launching a new strategic plan for the next 3 years. Whilst it is not dramatically different from the current plan, there are changes that we have implemented to strengthen our organisation, our members organisations and provide a pathway in achieving our vision for “Western Australia to have a thriving cycling community that is inclusive and cohesive”.



LOOKING FORWARD (CONTINUED)

As more and more organisations become members of WestCycle and we aim to provide services to these members and the general cycling public, WestCycle will be implementing a new team structure in 2015-16:



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 2015, the Income and Expenditure Statement, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, 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.

AUDIT REPORT (CONTINUED)

Stantons International


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 2015 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

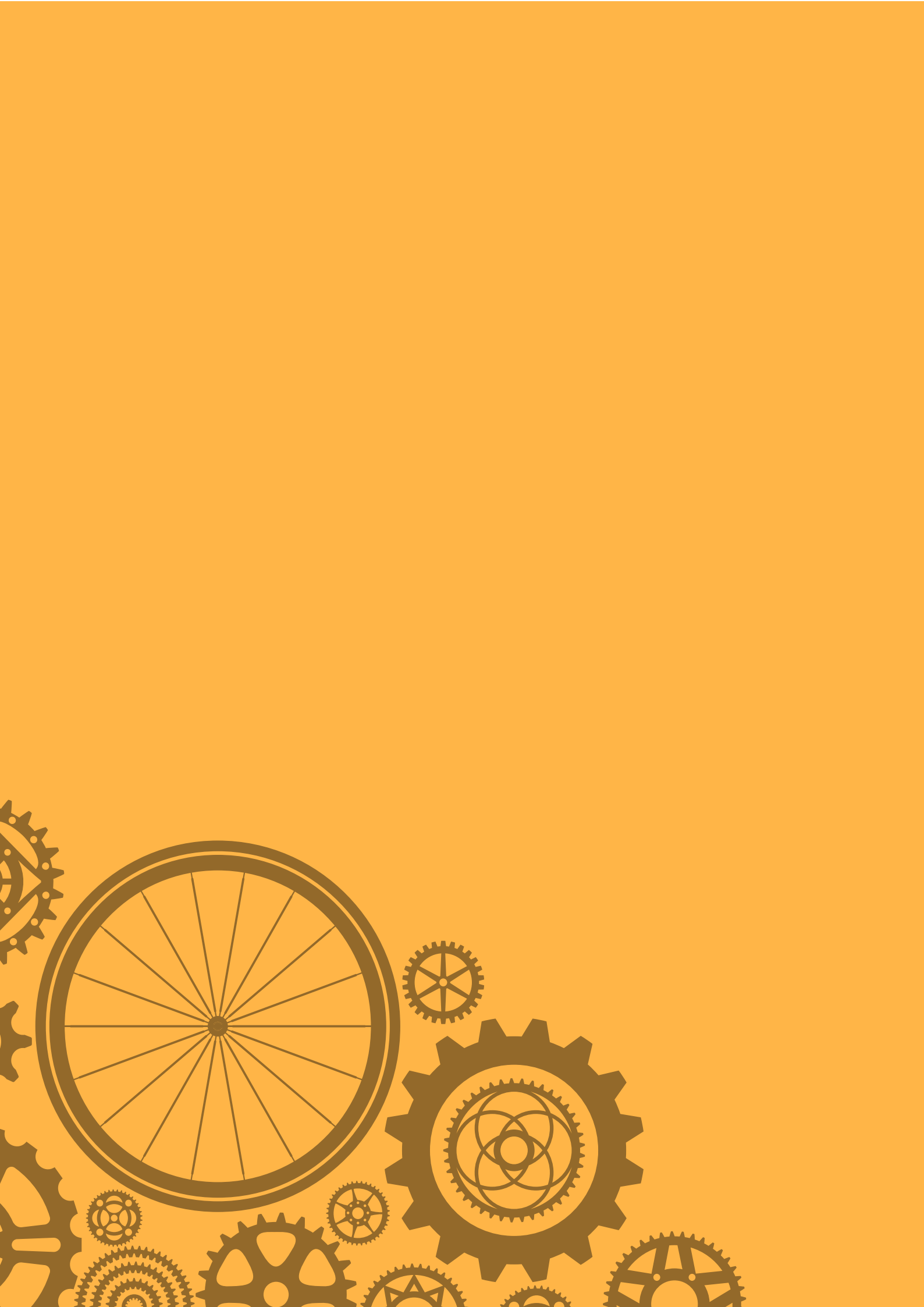
Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Westcycle Inc (Non-reporting) to meet the requirements of the *Associations Incorporation Act 1987*. As a result, the financial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

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

Stantons International Audit and Consulting Pty Ltd


Samir Tirotkar
Director

West Perth, Western Australia
9 October 2015



**FINANCIAL STATEMENTS
FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015**
WESTCYCLE INCORPORATED
ABN: 35 563 134 343

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DIRECTOR'S REPORT

The directors submit the financial statements of the Association for the year ended 30 June 2015

DIRECTORS

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

- Neil Hackett
- Brad Pettitt
- Rod Annear
- Paul Lavery
- Jane Cutler
- Mike Rendell
- Hayley Lawrance
- Gary McGrath
- Kellie Lewis

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 \$75,684

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.

DIRECTOR'S **REPORT** (CONTINUED)

INFORMATION ON DIRECTORS

CURRENT DIRECTORS

NEIL HACKETT	Chairman and 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
HAYLEY LAWRENCE	Independent Director – Appointed 9 December 2014
GARY MCGRATH	Independent Director – Appointed 9 December 2014
KELLIE LEWIS	Independent Director – Appointed 9 December 2014



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	3	3
FIONA WOOD	3	2
NEIL HACKETT	8	8
BRAD PETTITT	8	5
ROD ANNEAR	8	6
PAUL LAVERY	8	7
MIKE RENDELL	8	5
JANE CUTLER	8	8
TONY ANDERSON	3	2
HAYLEY LAWRENCE	5	4
KELLIE LEWIS	5	5
GARY MCGRATH	5	5

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 2015:

DEPARTMENT OF SPORT & RECREATION	\$ 495,000
DEPARTMENT OF RACING, GAMING AND LIQUOR	\$ 150,000
GRANTS RECEIVED SINCE 30 JUNE 2015	\$ 645,000

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 9th day of October 2015

Signed in accordance with resolution of the board of directors:



CHAIRMAN



CHIEF EXECUTIVE OFFICER

WESTCYCLE INCORPORATED

STATEMENT BY THE 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 2015 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 –

1. Present a true and fair view of the financial position of WestCycle Incorporated as at 30 June 2015 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:



CHAIRMAN



CHIEF EXECUTIVE OFFICER

Dated at Perth this 9th day of October 2015

STATEMENT OF INCOME & EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2015

		2015	2014
		\$	\$
INCOME			
UNEXPENDED GRANTS CARRIED FORWARD		110,890	310,219
GRANT INCOME	2	612,551	674,450
REVENUE FROM OPERATIONS	3	264,976	203,855
OTHER INCOME	4	46,806	71,642
TOTAL INCOME		1,035,223	1,260,166
EXPENDITURE			
GRANTS PAID	5	109,004	241,319
EXPENSES FROM OPERATIONS	5	95,776	77,902
CONTRACTOR FEES	5	110,889	202,175
ADMINISTRATION EXPENSES	5	88,045	79,523
EMPLOYEE BENEFIT EXPENSE	5	315,470	336,528
ADVERTISING	5	21,352	10,688
INSURANCE	5	4,613	4,805
OCCUPANCY COST	5	78,522	81,800
AUDIT FEES		6,000	5,045
ACCOUNTING & LEGAL FEES		19,839	11,220
DEPRECIATION		16,276	19,080
TOTAL EXPENDITURE		865,786	1,070,085
SURPLUS BEFORE TRANSFER		169,437	190,081
TRANSFER TO UNEXPENDED GRANTS		(\$93,753)	(\$110,890)
NET SURPLUS TO ACCUMULATED FUNDS		75,684	

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

FOR THE YEAR ENDED 30 JUNE 2015

		2015	2014
		\$	\$
CURRENT ASSETS			
CASH AND CASH EQUIVALENTS	6	339,725	352,247
OTHER RECEIVABLES	8	752	35,989
TOTAL CURRENT ASSETS		340,477	388,236
NON-CURRENT ASSETS			
PROPERTY PLANT AND EQUIPMENT	7	48,051	62,537
OTHER RECEIVABLES	8	5,127	5,127
TOTAL NON-CURRENT ASSETS		53,178	67,664
TOTAL ASSET		393,655	455,900
CURRENT LIABILITY			
TRADE & OTHER PAYABLES	9	49,996	159,884
PROVISIONS	10	8,292	19,196
UNEXPIRED GRANTS/RECEIPTS	11	93,753	110,890
TOTAL CURRENT LIABILITIES		152,041	289,970
NON-CURRENT LIABILITIES			
TRADE AND OTHER PAYABLES	9	2,834	2,834
TOTAL NON-CURRENT LIABILITIES		2,834	2,834
TOTAL LIABILITIES		154,875	292,804
NET ASSETS		238,780	163,096
ACCUMULATED FUNDS			
OPENING BALANCE AT 1 JULY		163,096	83,905
CURRENT PERIOD SURPLUS		75,684	79,191
BALANCE ACCUMULATED FUNDS		238,780	163,096

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
ACCUMULATED FUNDS BALANCE AT THE COMMENCEMENT OF THE YEAR	163,096	83,905
GROSS SURPLUS (DEFICIT) FROM OPERATIONS	169,437	190,081
TRANSFER OUT TO UNEXPENDED GRANTS	(93,753)	(110,890)
ACCUMULATED FUNDS BALANCE AT 30 JUNE 2015	238,780	163,096

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

CASH FLOWS FROM ACTIVITIES DURING PERIOD	2015	2014
GRANTS RECEIVED	612,551	674,450
GRANTS PAID	(109,004)	(241,319)
PAYMENTS TO SUPPLIERS, CONSULTANTS AND EMPLOYEES	(861,298)	(741,241)
INTEREST RECEIVED	8,042	8,105
OTHER INCOME RECEIVED	338,977	267,392
NET CASH OUTFLOW FROM ACTIVITIES DURING PERIOD	12 (10,732)	(32,613)
CASH FLOWS FROM INVESTING ACTIVITIES		
DEPOSITS PAID	-	-
ACQUISITION OF PLANT AND EQUIPMENT	(1,790)	(22,546)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(1,790)	(22,546)
CASH FLOWS FROM FINANCING ACTIVITIES		
DEPOSIT RECEIVED	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	-	-
NET DECREASE IN CASH HELD	(12,522)	(55,159)
CASH AT THE BEGINNING OF FINANCIAL PERIOD	352,247	407,406
CASH AT THE END OF THE FINANCIAL PERIOD	6 339,725	352,247

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015

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.

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015

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

- (i) Annual leave
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).

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.

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%

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.

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015

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

INVESTMENTS

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

WEBSITE 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.

(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.

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015

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

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

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015**

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.

		2015	2014
		\$	\$
NOTE 2	GRANT INCOME		
	GRANT FROM GOVERNMENT	561,278	639,600
	OTHER GRANTS RECEIVED	51,273	34,850
		612,551	674,450
NOTE 3	REVENUE FROM OPERATIONS		
	MEMBERSHIP FEES	97,791	57,731
	PARTICIPANT FEES	159,276	140,433
	OTHER	7,909	5,691
		264,976	203,855
NOTE 4	OTHER INCOME		
	INTEREST INCOME	8,042	8,106
	OTHER INCOME	38,764	63,536
		46,806	71,642

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015**

	2015	2014
	\$	\$
NOTE 5 EXPENSES FROM CONTINUING OPERATIONS		
ORDINARY GRANTS	71,818	65,130
SPECIAL GRANTS	37,186	176,189
	109,004	241,319
EXPENSES FROM OPERATIONS		
INSTRUCTOR FEES	39,892	33,697
EVENT ENTRY FEES	34,886	33,840
OTHER FEES	20,998	10,365
	95,776	77,902
CONTRACTOR FEES		
CONTRACTOR FEES	110,889	202,175
	110,889	202,175
ADMINISTRATION EXPENSES		
TRAVEL AND ACCOMMODATION	24,779	9,832
OTHER ADMINISTRATIVE EXPENSES	63,266	69,690
	88,045	79,522
EMPLOYEE BENEFITS EXPENSES		
WAGES AND SALARIES	298,068	299,069
LEAVE ENTITLEMENTS	(11,489)	9,444
OTHER PAYROLL EXPENSES	28,891	28,015
	315,470	336,528

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015

		2015 \$	2014 \$
NOTE 5	EXPENSES FROM CONTINUING OPERATIONS		
	ADVERTISING		
	PUBLICATIONS	13,862	1,656
	OTHER	7,490	9,032
		21,352	10,688
	INSURANCE		
	WORKCOVER INSURANCE	1,773	1722
	OTHER INSURANCE	2,840	3,083
		4,613	4,805
	OCCUPANCY COST		
	OFFICE RENTAL	72,857	77,857
	OTHER OCCUPANCY COST	5,665	3,943
		78,522	81,800
NOTE 6	CASH & CASH EQUIVALENTS		
	CASH AT BANK	335,541	352,247
	CASH ON HAND	4,184	-
		339,725	352,247
NOTE 7	PROPERTY PLANT AND EQUIPMENT		
	PLANT AND EQUIPMENT AT COST	88,815	87,025
	LESS: ACCUMULATED DEPRECIATION	(40,764)	(24,488)
		48,051	62,537
NOTE 8	RECEIVABLES		
	CURRENT RECEIVABLES		
	TRADE RECEIVABLES	752	35,989
		752	35,989
	NON-CURRENT RECEIVABLES		
	SECURITY DEPOSIT	5,127	5,127
		5,127	5,127

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015**

		2015	2014
		\$	\$
NOTE 9	TRADE AND OTHER PAYABLES		
	CURRENT PAYABLES		
	TRADE AND OTHER PAYABLES	34,275	102,390
	TAX LIABILITIES	9,721	25,121
	ACCRUALS	6,000	32,373
		49,996	159,884
	NON-CURRENT PAYABLES		
	DEPOSIT HELD	2,834	2,834
NOTE 10	PROVISIONS		
	PROVISION FOR LEAVE ENTITLEMENTS	8,292	19,196
		8,292	19,196
NOTE 11	UNEXPIRED GRANTS/RECEIPTS		
	UNEXPENDED GRANT DURING PERIOD	93,753	110,890
		93,753	110,890

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015**

		2015	2014
		\$	\$
NOTE 12	RECONCILIATION ON CASH FLOW FROM OPERATING ACTIVITIES		
	NET INCOME	75,684	79,191
	ADJUSTMENT FOR NON-CASH ITEMS		
	DEPRECIATION	16,276	19,080
	CHANGE IN OPERATING ASSETS AND LIABILITIES		
	DECREASE IN UNSPENT GRANT	(17,137)	(199,329)
	INCREASE/(DECREASE) IN TRADE AND OTHER RECEIVABLES	(32,051)	35,237
	INCREASE/(DECREASE) IN TRADE AND OTHER PAYABLES	(109,888)	91,053
	INCREASE/(DECREASE) IN PROVISIONS	(10,904)	9,443
	NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(10,732)	(32,613)
NOTE 13	AUDITOR'S REMUNERATION		
	REMUNERATION OF THE AUDITOR OF THE COMPANY FOR		
	- AUDITING OR REVIEW THE FINANCIAL REPORT	6,000	6,000
		6,000	6,000
NOTE 14	COMMITMENTS AND CONTINGENCIES		
	Other than those stated elsewhere in this financial report, there were no commitments or contingencies at 30 June 2015.		

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015**

NOTE 15 SUBSEQUENT EVENTS

WestCycle has received the following grants since 30 June 2015:

DEPARTMENT OF SPORT & RECREATION	\$495,000
DEPARTMENT OF RACING, GAMING AND LIQUOR	\$150,000
GRANTS RECEIVED SINCE 30 JUNE 2015	\$645,000

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	110,890
GRANTS RECEIVED DURING THE FINANCIAL YEAR	612,551

DISBURSEMENTS OF GRANTS

EXPENSES THROUGH STATEMENT OF INCOME AND EXPENDITURE	(627,898)
PURCHASE OF EQUIPMENT	(1,790)
GRANTS DEFERRED TO THE NEXT FINANCIAL YEAR	93,753

THE ACCOMPANYING NOTES FORM PART OF THE FINANCIAL STATEMENTS

END OF FINANCIAL REPORT.



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Department of
Sport and Recreation