

BICYCLE SOUTH AUSTRALIA INCORPORATED

FINANCIAL REPORT

for the year ended 30 June 2023

BICYCLE SOUTH AUSTRALIA INCORPORATED

Statement of Income & Expenditure

for the year ended 30 June 2023

	Notes	2023	2022
		\$	\$
Income			
Event fees		1,000,653	219,539
Grants		1,331,621	848,724
Membership fees		161,776	165,216
Donations		1,223	509,255
Other operating income		163,620	51,125
Investment income		7,222	(110)
Total Income		<u>2,666,115</u>	<u>1,793,749</u>
Expenses			
Employee benefits		1,239,272	909,929
Project and event expenses		988,761	457,764
Administration expenses		251,516	256,543
Membership services		105,944	111,151
Total Expenses		<u>2,585,493</u>	<u>1,735,387</u>
Net Surplus / (Deficit)		<u>80,622</u>	<u>58,362</u>

The accompanying notes form part of this financial report

BICYCLE SOUTH AUSTRALIA INCORPORATED

Statement of Financial Position

as at 30 June 2023

	Notes	2023 \$	2022 \$
Current Assets			
Cash & cash equivalents	2	1,172,949	706,203
Trade debtors		18,813	39,054
Prepayments	3	65,073	66,614
Other current assets	4	17,500	17,500
		<u>1,274,335</u>	<u>829,371</u>
Non-Current Assets			
Financial investments	5	97,887	95,106
Plant & equipment	6	121,172	91,474
		<u>219,059</u>	<u>186,580</u>
Total Assets		<u>1,493,394</u>	<u>1,015,951</u>
Current Liabilities			
Trade creditors		34,941	30,220
Accrued expenses		12,910	45,000
Other payables	7	129,045	83,273
Deferred income	8	906,208	520,870
Provisions	9	163,667	170,587
		<u>1,246,771</u>	<u>849,950</u>
Non-Current Liabilities			
Provisions	9	-	-
		<u>-</u>	<u>-</u>
Total Liabilities		<u>1,246,771</u>	<u>849,950</u>
Net Assets		<u>246,623</u>	<u>166,001</u>
Members' Funds			
Accumulated surpluses		166,001	107,639
Surplus / (deficit) for the year		80,622	58,362
Total Members' Funds		<u>246,623</u>	<u>166,001</u>

The accompanying notes form part of this financial report

BICYCLE SOUTH AUSTRALIA INCORPORATED

Notes to the Financial Statements

for the year ended 30 June 2023

Note 1. Statement of significant accounting policies

The financial statements and notes are for the economic entity of Bicycle South Australia Inc. and its wholly owned subsidiary Bicycle Events SA Ltd.

The executive committee has determined the association is not a reporting entity and accordingly this financial report is a special purpose financial report to the members, prepared in order to comply with the reporting requirements of the Associations Incorporation Act and the association's constitution.

The financial statements have been prepared on an accruals basis, at historic cost and do not take into account changing money values except where specifically stated. The AASB Accounting Standards have not been applied in the preparation of these financial statements.

The financial statements are prepared on a going concern basis.

The following significant accounting policies have been applied in the preparation of this financial report and are consistent with the previous period unless stated otherwise.

(a) Income

Grants received on the condition that specified services are delivered, or conditions are fulfilled, are considered reciprocal. Income from such grants is recognised as services are performed or conditions fulfilled. Income from non-reciprocal grants is recognised when the association obtains control of the funds which is generally at the time of receipt.

Income from event fees is recognised upon the delivery of services to participants.

Membership fee income is recognised over the time period to which the fee relates.

Donations are recognised at the time the pledge is made.

(b) Expenses

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

BICYCLE SOUTH AUSTRALIA INCORPORATED

Notes to the Financial Statements

for the year ended 30 June 2023

Note 1. Statement of significant accounting policies (continued)

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(d) Investments

Investments are recorded at their fair value on acquisition and are subsequently measured at market value with any changes recognised in the statement of income and expenditure.

(e) Employee entitlements

Provision is made for the association's liability for employee entitlements arising from service rendered by employees to balance date. Employee entitlements arising from wages and salaries, superannuation, annual leave and long service leave have been measured at the nominal value.

(f) Depreciation of fixed assets

The fixed assets are depreciated on a systematic basis over the estimated life using the diminishing balance method.

(g) Lease expenses

Lease payments for the lease of commercial premises are charged as expenses in the periods in which they are incurred.

(h) Income tax

The association is exempt from income tax under Division 50 of Income Tax Assessment Act 1997 being a community service organisation.

(i) Goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are recognised inclusive of GST.

BICYCLE SOUTH AUSTRALIA INCORPORATED

Notes to the Financial Statements

for the year ended 30 June 2023

	2023	2022
	\$	\$
Note 2. Cash and cash equivalents		
Cash at bank	1,171,149	704,653
Petty cash	1,800	1,550
	<u>1,172,949</u>	<u>706,203</u>
 Note 3. Prepayments		
Prepaid insurance premiums	<u>65,073</u>	<u>66,614</u>
 Note 4. Other current assets		
Bank guarantee - lease	<u>17,500</u>	<u>17,500</u>
 Note 5. Financial investments		
<i>Non-current</i>		
Shares in listed companies	<u>97,887</u>	<u>95,106</u>
<i>Movements in carrying amounts</i>		
Opening balance	95,106	393,966
Purchases and reinvestments	-	-
Disposals	-	(293,977)
Revaluation to market value	2,781	(4,883)
	<u>97,887</u>	<u>95,106</u>

In early 2020, the manager of the Tidswell Pooled Mortgage fund notified investors of the decision to wind up the unit trust. The full investment balance was returned to unit holders in tranches over the 2020-21 and 2021-22 financial years.

BICYCLE SOUTH AUSTRALIA INCORPORATED

Notes to the Financial Statements

for the year ended 30 June 2023

	2023	2022
	\$	\$
Note 6. Plant and equipment		
<i>Movements in carrying amounts</i>		
Opening balance	91,474	115,917
Additions	51,754	11,489
Disposals		
Cost	-	-
Accumulated depreciation	-	-
Depreciation expense	(22,056)	(35,932)
	<u>121,172</u>	<u>91,474</u>
 Note 7. Other payables		
Credit card	1,987	7,442
Net GST	38,605	16,930
Wages and salaries	35,833	17,281
Superannuation	33,134	23,186
PAYG withholdings	15,848	18,434
WorkCover	3,638	-
	<u>129,045</u>	<u>83,273</u>
 Note 8. Deferred income		
Events	291,905	260,854
Grants	514,045	174,737
Membership fees	100,258	85,279
	<u>906,208</u>	<u>520,870</u>

BICYCLE SOUTH AUSTRALIA INCORPORATED

Notes to the Financial Statements

for the year ended 30 June 2023

	2023	2022
	\$	\$
Note 9. Provisions		
Current		
Annual leave	89,163	88,989
Long service leave	58,285	66,731
Superannuation	16,219	14,867
	<u>163,667</u>	<u>170,587</u>
Non-current		
Long service leave	-	-
Superannuation	-	-
	<u>-</u>	<u>-</u>

Note 10. Bicycle Events SA Ltd.

During the periods covered by this financial report, the subsidiary Bicycle Events SA Ltd. was dormant, and as at balance date has a cash balance of \$5.38 which is included in the cash at bank amount in the statement of financial position. The issued capital of this subsidiary entity is \$2.

Note 11. Lease commitment

In November 2019, Bicycle SA Inc. commenced lease of premises at Keswick for a period of five (5) years with an initial annual expense of \$70,000 (exclusive of GST) plus certain outgoings. Included in the agreement is one right of renewal for a term of five (5) years. The annual rental payable under the lease is reviewed on each anniversary of the commencement date during the term by reference to the CPI (consumer price index) on the review dates. Bicycle SA Inc. has provided a bank guarantee in favour of the lessor for the amount of \$17,500 which is recorded in the financial statements as a current asset - refer to note 4.

BICYCLE SOUTH AUSTRALIA INCORPORATED

Statements by Members of the Executive Committee

for the year ended 30 June 2023

In accordance with a resolution of the officers of the executive committee of Bicycle South Australia Inc.

In the opinion of the executive committee, the financial report, comprising the statement of income and expenditure, the statement of financial position and accompanying notes:

(a) present fairly the results of the operations of the association for year ended 30 June 2023 and the financial position of the association as at 30 June 2023; and,

(b) as at the date of this statement the executive committee has reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

The officers of the executive committee give particulars:

(a) of any body corporate that is a subsidiary of the association; and,

Name of body corporate: Bicycle Events SA Ltd.

Australian Business Number: 43 100 868 880

(b) of any trust of which the association is a trustee.

Not applicable

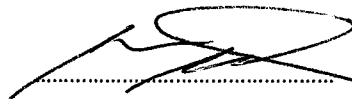
In addition, the executive committee of the association reports that during the financial year ended 30 June 2023:

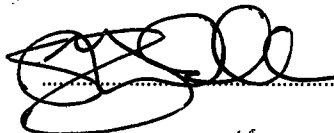
(a) No officer of the executive committee has received or become entitled to receive a benefit as a result of a contract between an officer, firm of which an officer is a member, or body corporate in which an officer has a substantial financial interest, and the association - other than stated below.

An officer was employed by the association during the year and received a total of \$842.

(b) No officer of the executive committee has received directly or indirectly from the association any payment or other benefit of a pecuniary value.

These statements are made in accordance with a resolution of the executive committee and is signed for and on behalf of the executive committee by:


..... Maureen Merrick President


..... Tom Walker Treasurer

Dated this ^{26th} day of October 2023.

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BICYCLE SOUTH AUSTRALIA INC.**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS****Scope**

I have audited the financial report, being a special purpose financial report, of Bicycle South Australia Inc and its wholly owned subsidiary Bicycle Events SA Limited for the year ended 30 June 2023 comprising the Statement of Income & Expenditure for the year ended 30th June 2023, Statement of Financial Position as at 30 June 2023 and the Notes to and forming part of the Financial Statements. The Executive Committee is responsible for the preparation of the financial report and has determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the Associations Incorporations Act, and are appropriate to meet the needs of the members. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

The special purpose financial report has been prepared for distribution to members for the purpose of fulfilling the Executive Committee's financial reporting requirements under the Associations Incorporations Act. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than for which it was prepared.

Audit Approach

I conducted an independent audit in order to express an opinion to the members of the Association. The audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. An audit cannot guarantee that all material misstatements have been detected.

I performed procedures to assess whether in all material respects the financial report is presented fairly, in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the Associations financial position, and of its performance as represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate for the needs of the members.

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I formed my audit opinion on the basis of our procedures, which included examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Board. While I consider the effectiveness of management's internal controls over financial reporting when determining the nature and extent of my procedures, my audit was not designed to provide assurance on internal controls.

In common with organisations of this type, it was not practical to establish adequate records or control over cash receipts prior to their receipt and entry in the accounting records. Accordingly, my audit of cash receipts was limited to the amount recorded in the initial books of entry.

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

The audit opinion expressed in the report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report of Bicycle South Australia Inc and its wholly owned subsidiary Bicycle Events SA Limited presents fairly, in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of the organisation as at 30 June 2023 and the results of its operations for the year then ended.

PETER HALL – CHARTERED ACCOUNTANT



PETER HALL
Registered Company Auditor

Dated 31st October 2023

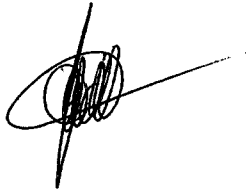
BICYCLE SOUTH AUSTRALIA INC.

**DECLARATION OF INDEPENDENCE UNDER SECTION 60-40 OF THE ACNC ACT 2012
BY PETER HALL TO THE BOARD MEMBERS OF
BICYCLE SOUTH AUSTRALIA INC.**

As lead auditor for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the ACNC Act 2012 in relation to the audit;
and
- (b) any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Bicycle South Australia Inc.



Peter Hall

Peter Hall – Chartered Accountant

Adelaide

Dated this 31st day of October 2023