

Bicycle New South Wales

ANNUAL REPORT 2005

Bicycle New South Wales Inc ABN 26 511 801 801

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BICYCLE NSW MISSION

To promote, advocate, and support cycling in all its forms as an environmentally sustainable and healthy form of transport, recreation and tourism through the engagement of government, industry and the community at all levels.



organisations to form the Bicycle Federation of Australia (BFA), whose principal aim is to work with government at a federal level to promote the benefits of cycling. BNSW is also a member of the industry-based Cycling Promotion Fund (CPF).

The Various Roles of Bicycle NSW

In our Local Communities

Bicycle NSW has grown to include over 50 affiliated community-based Bicycle User Groups (BUGs) around NSW. BUGs work closely with local councils to assist in the design and development of local cycling facilities.

Events

BNSW works collaboratively with many areas of government as with industry and the community (including some 450 committed volunteers) to deliver several broad-based community participation cycling events. These events play a key role in lifting the profile of cycling and encouraging members of the community to engage in healthy physical activity in a safe and enjoyable social setting.

Locally affiliated Bicycle User Groups (BUGs) run some 100 community based rides throughout NSW every month. These help to encourage members of the community to take up riding regularly and to gain the benefits of regular physical activity.

Other Services

The organisation provides a range of insurance products and cycling-related services to its members. BNSW also publishes *Australian Cyclist* six times a year. This is a national magazine with audited circulation through cycling organisations and newsagents of over 12,000 copies each issue.

Bicycle NSW (BNSW) is a member-funded and owned, not-for-profit peak community organisation established in 1976 as the Bicycle Institute of NSW. It changed its name to Bicycle NSW in 1994. Membership now stands at some 10,500.

Bicycle NSW is governed through a member-elected volunteer Committee of Management. The organisation employs full- and part-time staff, and

is supported by many volunteers from across the community.

In recognition of the environmental importance of cycling, the Federal Government has accepted the Bicycle NSW Environmental Trust onto the register of Environmental Organisations, with consequent taxation benefits for donors.

At the national level, Bicycle NSW is affiliated with a group of similar



PHOTO: TREVOR CREIGHTON

President's Report

There is broad community recognition that cycling is fun, good for fitness and is a fine family activity. However, several other factors have recently concentrated greater attention on cycling. Rising fuel and transport prices have led people to look for cheaper alternatives; ever growing greenhouse concerns have increased interest in environmentally sustainable transport; the rapid rise in community obesity has given new attention to personal fitness; and, reports from London indicate, security concerns have led some commuters to seek affordable but independent means of transport. So, there is a new focus on cycling and, with ever-improving cycling infrastructure, cycling and cyclists have new opportunities.

I was honoured to become President in October 2004. Since then I have worked with a united Board to provide consistent and valuable support and guidance for the Bicycle NSW team through what has been a period of great change. As part of this process the Board has several regular sub-committees, such as the Finance and Audit Committee and the BUGs and Advocacy

Committee. Additionally, the Board has created several short-lived, special sub-committees or working parties, such as that which recommended the new CEO to the full Board and the Constitution Committee that has looked at the existing Constitution and developed a new draft. Other special sub-committees have included those for Risk Management, the 2007 NSW State Elections, and the Sydney Metropolitan Strategy.

Our external political environment has been somewhat unstable. The Minister for Roads in NSW has changed not once, but twice in the last 12 months with consequent changes to some aspects of funding as well as to some senior staff at the RTA, which is a key partner for Bicycle NSW within the NSW Government. I am pleased to say that the past year has seen a significant broadening of our relationship with the NSW Government into new areas including those related to health, the environment, tourism, sport and recreation. The Board is determined that these and other external relationships must be developed and maintained as they reflect the broad based benefits of cycling across our community.

The budget is given close attention by both the Finance and Audit committee as well as the monthly meetings of the full Board. It will remain our highest single concern.



PHOTO: TOP SHOTS PHOTOGRAPHY www.bicyclephotos.com.au



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The organisation's financial position has been of continuing concern to the Board. The 2004-05 year saw unexpected expenditures in several areas that led to a budget deficit for the year. The Board instructed the CEO to develop a surplus budget for 2005-06 and, at the time of preparing this report, we seem to be on track to restore the financial position of the organisation. The budget is given close attention by both the Finance and Audit committee as well as the monthly meetings of the full Board. It will remain our highest single concern.

Within BNSW the single biggest change was when the Board reluctantly accepted the resignation of Neil Tonkin as Chief Executive Officer of Bicycle NSW after eight years in that role. All of us a BNSW wish Neil well. After a wide ranging search, conducted through an independent recruitment agency, Alex Unwin was appointed as our new CEO in June this year. He has begun extremely well, with great energy and dynamism. The Board fully supports Alex and all the staff at BNSW and is confident that we have a period of important growth and development ahead of us.

Alex's report follows.

A handwritten signature in black ink, appearing to read 'Robert Hamilton'.

Robert Hamilton
President

Chief Executive's Report

This year has been one of significant change within the organisation, with a number of key personnel leaving us after many years of loyal and valuable service. The resultant need to employ short term contract staff until suitable permanent staff could be hired and brought up to speed with our organisational systems and processes led to a significant increase in staff and labour costs for the 2004-05 year. These costs were the main driver for the deficit financial result in the year ended 30th June 2005. The growth in numbers on the Kosciusko to Kiama Big Ride in March is a testament to the hard work and dedication of staff and volunteers alike and helped to offset some of the increased expenditure mentioned above.

A number of other key changes were delivered during the year:

- ❑ Bicycle NSW Membership was upgraded in November 2004 to include personal accident insurance tailored to the needs of cyclists, and family membership options were broadened at the same time.
- ❑ In consultation with members via *Push On* and through an on line survey the Bicycle NSW mission statement was developed, giving even greater focus to our diverse activities.
- ❑ The Bicycle NSW Environmental Trust was formally launched in the July 2004 edition of *Push On* – giving all those keen to improve public support for cycling the opportunity to make tax deductible donations.

Looking forward

A planning review in the last three months of the year led to the identification of three strategic priorities seen as key for Bicycle NSW to restore financial sustainability during the 2005-06 year.

Human Resources – making sure we have the skills and experience where needed to allow Bicycle NSW to achieve its goals.

Quality and Efficiency – ensure product and service quality meets the needs of our stakeholders and is delivered as efficiently as possible.

Leveraging Partnerships – seeking enduring alliances with appropriate partners with a common interest in

achieving our goals.

With these priorities in mind 2005-06 has started well. In the Human Resources arena we have new staff in all key areas of the organisation, bringing valuable new skills and energy to the challenges before us. Importantly several new staff have been appointed in the Events area, a discipline not only critical in maintaining our financial sustainability, but also key to building the public profile of cycling and encouraging members of the community to take up a healthy, environmentally friendly, economical and great fun means of transport and recreation. The encouraging early signs from the Events marketing programmes demonstrate the skills and commitment of our new team. We expect to increase the strength and depth of the Bicycle NSW staff team as financial resources permit, with a particular focus on providing a greater level of service to our members and support to our local community Bicycle User Groups.



Improvements to Quality and Efficiency have already started to flow. The RTA Cycle Sydney Event has been renamed Portfolio Partners Sydney Spring Cycle, and a complete overhaul of the ride route and traffic management plan has been completed. In addition, a wide range of new on line facilities has been launched, including individual and team entry options for the Portfolio Partners Sydney Spring Cycle, the Bicycle NSW Privacy Policy, a Bicycle NSW bookshop, NSW Big Ride entry

facilities and local Bicycle User Groups Rides Calendar. Further improvements to products and services are planned for the balance of the year, with an emphasis on meeting the needs of our members, increasing our commitment to community development through cycling and raising the profile of cycling through our publications and the staging of bigger and better events.

On the partnership front the Bicycle NSW approach to the 'Whole of NSW Government' is paying dividends. Coupled with existing relationships with the RTA, City Rail, Department of Planning, and the NSW Police, Bicycle NSW now has a three year agreement with the Sydney Olympic Park Authority and growing relationships with the Premier's Department Office of Protocol and Special Events, Tourism NSW, the Department of Ageing, Disability & Home Care, NSW Health Department, and the City of Sydney. In the non government sector Bicycle NSW has forged strategic alliances with Portfolio Partners, one of Australia's largest investment managers, Cycling Australia Show, Cycling NSW, The Heart Foundation, Nature Conservation Council of NSW, Cycling Promotion Fund, Rebel Sport, The Sun-Herald, Volunteer Rescue Association, St John's Ambulance and Netti Atom. With a continued focus on the health, environmental, transport economics, infrastructure efficiency and recreational/lifestyle benefits of cycling we plan to continue building the strength and depth of our external relationships through the coming year.

In closing, I take the opportunity to thank each and every one of the staff and volunteers, whose hard work and commitment has made Bicycle NSW the forward looking and vibrant organisation it is today. Last but by no means least I thank our members for continued support and loyalty which means we have a very sustainable future. Thank you for choosing to be a member.

Alex Unwin
Chief Executive Officer

MOORE STEPHENS

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF BICYCLE NEW SOUTH WALES INCORPORATED

We have audited, in accordance with Australian Auditing Standards, the Statement of Financial Performance and Statement of Cash Flows for the year ended 30 June 2005 and the Statement of Financial Position as at 30 June 2005 for Bicycle New South Wales Incorporated. The scope of our audit is set out in the audit report on the financial statements from which the abridged financial report is derived.

Audit Opinion

In our opinion, the information set forth in the accompanying abridged financial report, comprising the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and abridged Notes to the financial report in relation to the year ended 30 June 2005 is consistent with the unabridged report from which it is derived.

Inherent Uncertainty Regarding Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter.

The financial statements have been prepared on a going concern basis. The Association has increased its deficit of liabilities over assets by \$36,002 in the current year. The Committee of Management is continuing to monitor cash flow and profitability and is working with management to eliminate prior year deficits and strengthen the financial position of the Association. As a result of this matter, there is significant uncertainty whether the Association will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Moore Stephens Sydney

MOORE STEPHENS SYDNEY

SM Whiddett

SM WHIDDETT
Partner

Dated 30 September 2005

BICYCLE NEW SOUTH WALES INCORPORATED		ABN 26 511 801 801	
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005			
	2005	2004	2005
	\$	\$	\$
CURRENT ASSETS			
Cash	216,612	148,107	34,872
Receivables	172,432	61,408	445,307
Inventory	788	39,668	39,668
Other Assets	50,968	41,838	19,020
TOTAL CURRENT ASSETS	442,810	291,021	219,869
			9,749
			<u>2,171,557</u>
			2,006,658
NON-CURRENT ASSETS			
Investments	12,321	20,534	
Office Furniture and Equipment	47,102	19,171	
TOTAL NON-CURRENT ASSETS	59,423	39,705	
TOTAL ASSETS	502,233	330,726	
			752,450
			273,515
			163,457
			771,811
			216,326
			<u>2,207,559</u>
			1,964,014
CURRENT LIABILITIES			
Creditors and Borrowings	529,047	340,099	(36,002)
Interest Bearing Liabilities	10,000	-	42,644
Tax Liabilities	71,512	13,824	
Provisions	71,802	73,477	
TOTAL CURRENT LIABILITIES	682,361	427,400	
NON-CURRENT LIABILITIES			
Creditors and Borrowings	53,511	100,963	
TOTAL NON-CURRENT LIABILITIES	53,511	100,963	
TOTAL LIABILITIES	735,872	528,363	
			2,287,184
			(2,187,467)
			<u>99,717</u>
			(58,352)
NET ASSETS	(233,639)	(197,637)	
			(37,425)
			(10,000)
			8,213
			(20,534)
			<u>(29,722)</u>
			(30,263)
MEMBERS' FUNDS			
Accumulated Operating Deficit	(197,637)	(240,281)	
Balance carried forward	(36,002)	42,644	
Surplus (Deficit) for the year ended 30 June 2005	(233,639)	(197,637)	
Balance at end of year	(233,639)	(197,637)	
			70,505
			148,107
			<u>218,612</u>
			148,107
TOTAL MEMBERS' FUNDS	(233,639)	(197,637)	
ABRIDGED NOTES			
Basis of Preparation			
The statement of financial position of Bicycle New South Wales Incorporated and the related statement of financial performance and cash flow statements have been derived from the audited financial report that is prepared in accordance with generally accepted accounting principles.			

PARTNERS:
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