

# **BICYCLE NEW SOUTH WALES ENVIRONMENTAL TRUST**

## **ANNUAL FINANCIAL STATEMENTS for the thirteen months ended 30 June 2004**

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**BICYCLE NEW SOUTH WALES ENVIRONMENTAL TRUST**

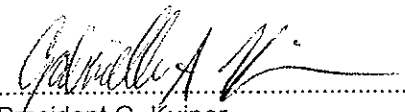
**COMMITTEE OF MANAGEMENT'S  
DECLARATION  
OF  
THE TRUSTEE**

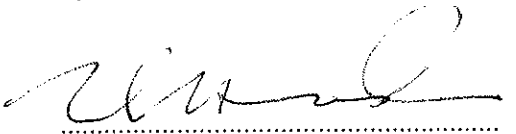
The Committee of Management of the Bicycle New South Wales as Trustee of Bicycle NSW Environmental Trust declares that the Trust is a reporting entity. The Committee has determined that this financial report is a general purpose report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The Committee of Management of the Bicycle New South Wales declares that: -

1. The financial statements and notes, as set out on pages 2 to 8 presents a true and fair view of the Trust's financial position as at 30 June 2004 and its performance for the year ended on that date in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.
2. In the Committee of Management's opinion there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Committee of Management of the Bicycle New South Wales is signed for and on behalf of the Committee of Management by: -

  
.....  
President G. Kuiper

  
.....  
Treasurer T. Hoskins

Sydney, this 28/9/04

**BICYCLE NEW SOUTH WALES ENVIRONMENTAL TRUST**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE THIRTEEN MONTHS ENDED 30 JUNE 2004**

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	Notes	2004 \$
Revenue from donations	2	4,469
Settlor funds received		10
<b>Surplus from ordinary activities before income tax expense</b>		<hr/> 4,479
Income tax expense relating to ordinary activities	1 (a)	-
<b>Surplus from ordinary activities after income tax expense attributable to the Trust</b>	5	<hr/> 4,479
<b>Total changes in equity of the Trust</b>		<hr/> <hr/> 4,479

The accompanying notes form part of this financial report

**BICYCLE NEW SOUTH WALES ENVIRONMENTAL TRUST**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2004**

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	Notes	2004 \$
<b>CURRENT ASSETS</b>		
Cash assets	3	4,469
Other assets	4	<u>10</u>
<b>TOTAL CURRENT ASSETS</b>		<u>4,479</u>
<b>TOTAL ASSETS</b>		<u><u>4,479</u></u>
<b>ACCUMULATED FUNDS</b>		
Accumulated funds	5	4,469
Settlor's funds received	5	<u>10</u>
<b>TOTAL TRUST FUNDS</b>		<u><u>4,479</u></u>

The accompanying notes form part of this financial report

**BICYCLE NEW SOUTH WALES ENVIRONMENTAL TRUST**

**STATEMENT OF CASH FLOWS  
FOR THE THIRTEEN MONTHS ENDED 30 JUNE 2004**

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	Notes	2004 \$
<b>Cash Flows from Operating Activities</b>		
Donations received		4,469
Expenditure paid subject to reimbursement within the period		(21)
Expenditure subject to reimbursement reimbursed within the period		<u>11</u>
<b>Net Cash provided by operating activities</b>	<b>6(b)</b>	<u>4,459</u>
<b>Cash Flows from Financing Activities</b>		
Settlor funds received		<u>10</u>
<b>Net Cash provided by financing activities</b>		<u>10</u>
Net increase in cash held		4,469
Cash at the beginning of the financial year		<u>-</u>
<b>Cash at the end of the financial year</b>	<b>6(a)</b>	<u><u>4,469</u></u>

The accompanying notes form part of this financial report

## **BICYCLE NEW SOUTH WALES ENVIRONMENTAL TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE THIRTEEN MONTHS ENDED 30 JUNE 2004**

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#### **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards.

The financial report covers Bicycle New South Wales Environmental Trust as an individual entity. Bicycle New South Wales Environmental Trust is a public fund that must comply with Division 30-E of the Income Tax Assessment Act 1997.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Trust in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### **(a) Income Tax**

No income tax is applicable for the entity as the Trust is income tax exempt, including capital gains tax, under s30 of the Income Tax Assessment Act 1997.

#### **(b) Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and at banks, including banks overdrafts.

#### **(c) Revenue**

Revenue from donations is recognised upon receipt.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

#### **(d) Credit Risk Exposure**

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The carrying amount of each financial asset represents the Trust's maximum exposure to credit risk. The Trust is not materially exposed by any individual member, customer or overseas country.

#### **(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST charged is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expenses. Receivables and payables on the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**BICYCLE NEW SOUTH WALES ENVIRONMENTAL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE THIRTEEN MONTHS ENDED 30 JUNE 2004**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CON'T)**

**(f) Net Fair Values**

The carrying amount of financial instruments in the statement of financial position approximates their fair value

**(g) Adoption of Australian Equivalents to International Financial Reporting Standards (IFRS)**

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The Committee of Management of the Trustee of the Trust are assessing the significance of these changes and preparing for their implementation.

The Committee of Management are of the opinion that the key differences in the Trust's accounting policies which will arise from the adoption of IFRS are:

*Non-Current Investments*

Under the pending AASB 139 Financial Instruments: Recognition and measurement, financial instruments that are classified as available for sale instruments must be carried at fair value. Unrealised gains or losses may be recognised either in income or directly to equity. Current accounting policy is to investments at cost, with an annual review by directors to ensure that the carrying amounts are not in excess of the recoverable value.

*Income Tax*

Currently, the Trust adopts the liability method of tax-effect accounting whereby the income tax expense is based on the accounting profit adjusted for any permanent differences and distributions of taxable income to beneficiaries. Under the Australian equivalent to IAS 12, the entity will be required to adopt a balance sheet approach under which temporary differences are identified for each asset and liability rather than the effects of the timing and permanent differences between taxable income and accounting profit.

**BICYCLE NEW SOUTH WALES ENVIRONMENTAL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE THIRTEEN MONTHS ENDED 30 JUNE 2004**

	2004 \$
<b>NOTE 2: REVENUE</b>	
<b>Operating activities</b>	
Donations received	4,469
	<u>4,469</u>
<b>NOTE 3: CASH ASSETS</b>	
<b>CURRENT</b>	
Cash at bank	4,469
	<u>4,469</u>
All cash deposits are at call with interest rates set at 0.00%	
<b>NOTE 4: OTHER ASSETS</b>	
<b>CURRENT</b>	
Sundry debtors	10
	<u>10</u>
No interest is receivable on these amounts	
<b>NOTE 5: ACCUMULATED FUNDS</b>	
Accumulated surplus at the beginning of the period	-
Net surplus attributable to the Trust	4,469
Settlor's funds received	10
	<u>4,479</u>
Accumulated surplus at the end of the financial year	<u>4,479</u>
<b>NOTE 6: CASH FLOW INFORMATION</b>	
<b>a) Reconciliation of Cash</b>	
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:	
Cash at bank	4,469
	<u>4,469</u>
<b>b) Reconciliation of net cash provided by operating activities to surplus from ordinary activities after income tax.</b>	
Surplus from ordinary activities after income tax	4,469
Increase in receivables	(10)
	<u>4,459</u>
Net Cash provided by operating activities	<u>4,459</u>

**BICYCLE NEW SOUTH WALES ENVIRONMENTAL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE THIRTEEN MONTHS ENDED 30 JUNE 2004**

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**NOTE 7: RELATED PARTIES**

**Trustee of the Trust**

Bicycle New South Wales Inc acts as Trustee for the Trust.

**Management Committee Members**

The names of the Management Committee Members who held office during the year are as follows:-  
T. Hoskins, N. Tonkin, G. Nash and G. Kuiper

**Related party transactions**

Bicycle New South Wales Inc acting as Trustee for the Trust sold goods and services to the Trust on an arm's length basis.

**NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE**

The Trustees are not aware of any events since the period end that will impact the financial report either materially or by nature.

**NOTE 9: CONTINGENT LIABILITIES**

At the 30 June 2004, the Trust has a contingent liability applicable to goods and services rendered by the Trustee, Bicycle New South Wales Inc for the establishment and general administration of the Trust for the thirteen months ended 30 June 2004.

An estimate of this contingent liability is \$2,000 consisting of payments of stamp duty, audit fees administration costs and stationery.

This liability will be finalised in the year ended 30 June 2005.

Refer Note 7 for the terms and conditions for the provision of such goods and services.

**NOTE 10: TRUST DETAILS**

The principal activity of the Trust is to conserve and protect the natural environment through the promotion of bicycling as an environmentally means of transport.

The principal place of business of the Trust is:

C/- Bicycle New South Wales Incorporated  
Level 5, 822 George Street  
Sydney NSW 2000

**END OF FINANCIAL STATEMENTS**

INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF  
BICYCLE NEW SOUTH WALES ENVIRONMENTAL TRUST

**Scope**

*The financial report and committee members' responsibility*

The financial report comprises the Committee of Management's Declaration of Trustee, statement of financial position, statement of financial performance, statement of cash flows and accompanying notes to the financial statements, for Bicycle New South Wales Environmental Trust (the "Trust") for the year ended 30 June 2004.

The Trustee is responsible for the preparation and true and fair presentation of the financial report. 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.

*Audit approach*

We conducted an independent audit in order to express an opinion to the members of the Trust. Our 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. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Trust's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these 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 Committee of Management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

**Audit Opinion**

In our opinion the financial report has been properly drawn up so as to give a true and fair view of the statement of financial performance of the Trust and the state of affairs of the Trust as at 30 June 2004 in accordance with generally accepted accounting principles and the Trust Deed.

We also report that, in all material respects:

- (a) the financial report and associated records of the Trust have been properly kept during the year in accordance with generally accepted accounting principles and the Trust Deed.
- (b) proper provision has been made in the accounts of the Trust for bad and doubtful debts; and
- (c) we did not identify any defects or irregularities in the accounts or non compliance with clause 6 of the Trust Deed to the year ended 30 June 2004.



**S M WHIDDETT**  
Partner



**MOORE STEPHENS WI**  
Sydney

Date *30 September 2004*