

Performance Report

Bike Manawatu Inc

For the year ended 31 December 2017

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Entity Information

Bike Manawatu Inc

For the year ended 31 December 2017

'Who are we?', 'Why do we exist?'

Legal Name of Entity

Bike Manawatu Inc

Entity Type and Legal Basis

Incorporated Society and Registered Charity

Registration Number

CC45997

Entity's Purpose or Mission

Bike Manawatu Inc works to promote, foster and encourage (recreational and competitive) cycling in the Manawatu. We do this by:

- developing cycling in the Manawatu and encouraging participation in cycling by individuals of all ages and abilities;
- providing recreational and competitive cycling;
- organising social events;
- provide training, coaching and advice for cyclists
- liaising with national and regional cycling bodies.

Entity Structure

Incorporated Society: Our Deed states that we can have a maximum of seven Members.

Operational Structure: The Society has one paid Board Member, being the Secretary position.

Main Sources of Entity's Cash and Resources

Bike Manawatu has received its income from membership fees, race entry fees, sponsorship and grants.

Main Methods Used by Entity to Raise Funds

Bike Manawatu applies for grants, sponsorship and undertakes raffles in order to raise funds.

Entity's Reliance on Volunteers and Donated Goods or Services

Volunteers play a large role in Bike Manawatu by providing marshalling service, driving support vehicles and event day support. Bike Manawatu relies heavily on donated goods for spot prizes for the events and food from supermarkets as contributions towards race day packs.

Physical Address

50 Queen Street

Palmerston North 4410

Entity Information

Postal Address

C/- Sport Manawatu

PO Box 797

Palmerston North 4440


Approval of Financial Report

Bike Manawatu Inc

For the year ended 31 December 2017

The Board are pleased to present the approved performance report including the historical financial statements of Bike Manawatu Inc for year ended 31 December 2017.


APPROVED



Board Member

Date

10/04/18



Board Member

Date

11/04/18

Statement of Service Performance

Bike Manawatu Inc For the year ended 31 December 2017

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

The purpose of Bike Manawatu:

- To provide events for both recreational and competitive cyclists in the Manawatu in so doing assist in the development and progress of our local talented riders.
- To provide the platform so that cyclists who wish to compete can obtain a licence through Cycling New Zealand.
- To provide a safe environment for local competition to take place.
- To provide coaching and support for all riders competing Nationally and Internationally
- To provide benefits of membership eg: discounts on events and local participating business deals for members
- To provide support at every level eg: beginners– National elite riders

Description and Quantification of the Entity's Outputs	2017	2016
Attendees at Gravel and Tar Event	72	100
Attendees at Manfeild 6 Hour Challenge Event	329	274
Attendees at Festival of Cycling Event	88	80-90
Attendees at Novice Tour Event	124	120
Attendees at Road Race Events	Club Members	Club Members
Recipients of Junior Development Fund	5	5
Membership Numbers	223	274

Additional Information

The Goals of Bike Manawatu for the year ahead:

- Increase Membership to 400 by Dec 2018
- Build on and increase numbers in existing Events
- Provide more training and assistance
- Increase networking amongst other cycling clubs for mutual benefit
- Provide more local club series competition

Statement of Financial Performance

Bike Manawatu Inc

For the year ended 31 December 2017

'How was it funded?' and 'What did it cost?'

	NOTES	2017	2016
Revenue			
Donations, fundraising and other similar revenue	1	61,807	60,656
Fees, subscriptions and other revenue from members	1	6,002	6,809
Revenue from providing goods or services	1	31,806	32,703
Interest, dividends and other investment revenue	1	2,416	1,562
Other revenue	1	240	-
Total Revenue		102,271	101,729
Expenses			
Volunteer and employee related costs	2	22,636	18,677
Costs related to providing goods or service	2	74,066	75,799
Grants and donations made	2	825	-
Other expenses	2	11,442	7,451
Total Expenses		108,969	101,927
Surplus/(Deficit) for the Year		(6,698)	(197)

The accompanying notes and audit report form part of these financial statements. These financial statements should be read in conjunction with the attached audit report.



Statement of Financial Position

Bike Manawatu Inc As at 31 December 2017

'What the entity owns?' and 'What the entity owes?'

	NOTES	31 DEC 2017	31 DEC 2016
Assets			
Current Assets			
Bank accounts and cash	3	39,813	37,316
Debtors and prepayments	3	3,123	11,990
Inventory	3	3,178	1,913
Other Current Assets	3	50,000	50,000
Total Current Assets		96,114	101,219
Non-Current Assets			
Property, Plant and Equipment	5	24,009	15,671
Total Non-Current Assets		24,009	15,671
Total Assets		120,123	116,890
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	6,329	10,497
Unused donations and grants with conditions	4	29,600	15,500
Total Current Liabilities		35,929	25,997
Total Liabilities		35,929	25,997
Total Assets less Total Liabilities (Net Assets)		84,195	90,892
Accumulated Funds			
Accumulated surpluses or (deficits)	6	84,195	90,892
Total Accumulated Funds		84,195	90,892

The accompanying notes and audit report form part of these financial statements. These financial statements should be read in conjunction with the attached audit report.



Statement of Cash Flows

Bike Manawatu Inc

For the year ended 31 December 2017

'How the entity has received and used cash'

	2017	2016
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	78,407	48,314
Fees, subscriptions and other receipts from members	6,064	5,549
Receipts from providing goods or services	37,611	25,310
Interest, dividends and other investment receipts	1,347	1,562
Cash receipts from other operating activities	240	-
GST	659	(6,377)
Payments to suppliers and employees	(106,031)	(100,576)
Donations or grants paid	(825)	-
Total Cash Flows from Operating Activities	17,473	(26,218)
Cash Flows from Investing and Financing Activities		
Payments to acquire property, plant and equipment	(14,976)	-
Total Cash Flows from Investing and Financing Activities	(14,976)	-
Net Increase/ (Decrease) in Cash	2,497	(26,218)
Cash Balances		
Cash and cash equivalents at beginning of period	37,316	63,534
Cash and cash equivalents at end of period	39,813	37,316
Net change in cash for period	2,497	(26,218)

The accompanying notes and audit report form part of these financial statements. These financial statements should be read in conjunction with the attached audit report.



Statement of Accounting Policies

Bike Manawatu Inc

For the year ended 31 December 2017

'How did we do our accounting?'

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Changes in Accounting Policies

Interest Income has been recognised on an accrual basis, when previously it has been recorded on a cash basis. This change does not materially affect the performance report.

Specific Accounting Policies

In the preparation of the Performance Report, the specific accounting policies are as follows:

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Bike Manawatu Inc is not required to pay income tax as it holds an exemption from the Inland Revenue Department under Section CW41-43 of the Income Tax Act 2007.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is donated to the entity, its cost is measured at its current value as at the date of acquisition.

Depreciation is charged on a straight line basis over the useful life of the asset, except for land. Land is not depreciated. Depreciation is charged at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over its remaining useful life:

Bikes: 10%

Plant and Equipment 10%-20%

Office Equipment 50%

Motor Vehicles 30%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.



Tier 2 PBE Accounting Standards Applied

The Board has not adopted any Tier 2 PBE Accounting Standards in the preparation of these accounts.

Donations, Fundraising and Other Similar Revenue

Donations received are included in operating revenue. If particular conditions are attached to a donation that would require it to be repaid if these conditions are not met, then the donation is recorded as a liability until the conditions are satisfied.

Donated goods or services are not recognised.

Grants received are included in operating revenue. If particular conditions are attached to a grant that would require it to be repaid if these conditions are not met, then the grant is recorded as a liability until the conditions are satisfied.

Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

Provisions

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.



Notes to the Performance Report

Bike Manawatu Inc

For the year ended 31 December 2017

	2017	2016
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Donations Income	510	300
Fundraising Income	50	348
Grants Received	45,267	19,524
Sponsorship Income	15,980	40,484
Total Donations, fundraising and other similar revenue	61,807	60,656
Fees, subscriptions and other revenue from members		
Junior Membership Income	2,278	3,340
Senior Membership Income	3,724	3,469
Total Fees, subscriptions and other revenue from members	6,002	6,809
Revenue from providing goods or services		
Bike Rental Income	1,072	826
Entry Fee Income	23,568	27,443
Recreational Rides Income (Gentle Annie/Mangaweka)	153	-
Saturday Road Race Income	378	-
Track Fees and carnival Income	802	503
Uniform Sales	2,271	3,931
WCNI ITT/National! Entry fees Income	1,843	-
Weekly Time Trial Income	1,717	-
Total Revenue from providing goods or services	31,506	32,703
Interest, dividends and other investment revenue		
Interest Income	2,416	1,562
Total Interest, dividends and other investment revenue	2,416	1,562
Other revenue		
Other Revenue	240	-
Total Other revenue	240	-
	2017	2016

2. Analysis of Expenses

Volunteer and employee related costs		
Recruitment Costs	950	-
Secretarial Fees	21,286	16,671
Volunteer Expenses	400	2,006
Total Volunteer and employee related costs	22,636	18,677
Costs related to providing goods or services		
Advertising	929	1,582
Affiliation Fees	596	1,262
Awards Dinner	174	-



	2017	2016
Bank Fees	142	75
Commissaires Expenses	375	-
Consulting & Accounting	2,760	3,008
Entertainment	457	140
Entry Fee Expenses	1,843	-
First Aid	2,735	3,098
General Expenses	1,050	643
General Race Expenses	7,341	8,931
Jersey Purchases	1,062	91
Junior Development Fund	2,150	1,950
Light, Power, Heating	476	394
Office Expenses	41	46
Postage & Stationery	592	398
Presentations	-	88
Printing	1,554	1,641
Prizes	1,820	654
Prize Money	24,877	24,650
Prizegiving - End of year (including track)	20	-
Prizegiving - Time trials	25	-
Race Numbers	144	-
Race Packs	648	-
Rent	2,423	2,423
Repairs and Maintenance	646	1,017
Subscriptions/Registrations	189	30
Subscriptions	-	435
Telephone & Internet	39	78
Timing	2,100	1,878
Training	283	-
Traffic Management	9,958	11,464
Uniform Closing Stock	(3,178)	(1,913)
Uniform Opening Stock	1,913	961
Uniform Purchases	3,477	7,343
Venue Hire	4,364	3,430
Website Expenses	39	-
Total Costs related to providing goods or services	74,066	75,799
Grants and donations made		
Donation Expense	675	-
Grants Paid	150	-
Total Grants and donations made	825	-
Other expenses		
Audit Fees	3,500	1,850



Depreciation	7,942	5,557
Legal expenses	-	44
Total Other expenses	11,442	7,451
	2017	2016

3. Analysis of Assets

Bank accounts and cash		
Bike Manawatu - Online Entry	70	-
Cheque Account	27,513	20,655
Online Account	7,201	11,982
Petty Cash	31	30
Serious Saver	4,998	4,649
Total Bank accounts and cash	39,813	37,316
Debtors and prepayments		
Accrued Interest	1,069	-
Accounts Receivable	554	11,990
Prepayments	1,500	-
Total Debtors and prepayments	3,123	11,990
Inventory		
Inventory (Uniform Stock)	3,178	1,913
Total Inventory	3,178	1,913
Other current assets		
Special Project Reserve Account	50,000	50,000
Total Other current assets	50,000	50,000
	2017	2016

4. Analysis of Liabilities

Creditors and accrued expenses		
Accounts Payable	2,049	4,679
Accruals	2,700	1,900
Bike Bonds	1,200	2,628
GST	(250)	547
Membership Fees in Advance	630	744
Total Creditors and accrued expenses	6,329	10,497
Unused donations and grants with conditions		
Grants in Advance	25,600	15,500
Sponsorship in Advance	4,000	-
Total Unused donations and grants with conditions	29,600	15,500



5. Property, Plant and Equipment

2017

Asset Class	Opening Carrying Amount \$	Purchases \$	Sales/Disposals \$	Current Year Depreciation and Impairment \$	Closing Carrying Amount \$
Bikes	4,725	-	-	945	3,780
Plant & Equipment	10,946	12,672	-	6,290	17,327
Motor Vehicles	-	2,609	-	457	2,152
Office Equipment	-	1,000	-	250	750
Total	15,671	16,280	-	7,942	24,009

2016

Asset Class	Opening Carrying Amount \$	Purchases \$	Sales/Disposals \$	Current Year Depreciation and Impairment \$	Closing Carrying Amount \$
Bikes	5,670	-	-	945	4,725
Plant & Equipment	15,558	-	-	4,612	10,946
Total	21,228	-	-	5,557	15,671

2017 2016

6. Accumulated Funds**Opening balance**

Retained Earnings	(90,892)	(95,240)
Prior Period Correction	-	4,150
Total Opening balance	(90,892)	(91,090)

Accumulated surpluses or (deficits)

Accumulated Surpluses or (Deficits)	8,198	197
Total Accumulated surpluses or (deficits)	8,198	197

Total Accumulated Funds	(82,694)	(90,892)
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7. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 December 2017.(2016: Nil)



	2017	2016
8. Commitments		
Commitments to lease or rent assets		
Office from Sport Manawatu, can be terminated with two months notice by either party, with a rental cost of \$201.95 per month (GST exc)	404	404
Total Commitments to lease or rent assets	404	404
Commitment to purchase property, plant and equipment		
Commitment to purchase a purpose built trailer	-	12,671
Total Commitment to purchase property, plant and equipment	-	12,671
	2017	2016

9. Related Parties

Party and Nature of the Relationship		
Michael Craine (Board Member) and shared Partner of Rider Levett Buckanll Palmerston North branch sponsored the 2017 Novice Tour. (2016: Nil)	500	-
Peter McCarthy (Board Member) and Partner of Cradle sponsored the Gravel & Tar Event and the Purchase of the Timing Van (2016: Nil)	261	-
John Van Liene (Board Member) and shareholder of Bayleys Manawatu sponsored the Gravel & Tar event and Manfield 6 Hour event (2016: Nil)	1,200	-
Timothy Lloyd (Board Member) and owner of Octane Automotive sponsored the Purchase of the Timing Van and 2017 Novice Tour. 2016: Nil	1,550	-
2017: Mike Groube - Sold the Bike Trailer to Bike Manawatu. (2016:Mike Groube (Board Member) has entered into an agreement to sell Bike Manawatu a Trailer subject to an Appraisal from a certified company. (At 31.12.2016:Nil)	6,900	-
2017: Brendan Hapeta - Brendan Hapeta (Board Member) and owner of Hotel Coachman sponsored the 2017 Novice Tour (2016: \$500.00)	1,000	500

10. Criterium Track

Bike Manawatu has set aside \$40,000 for the construction of a criterium track, which has been allowed for in the Palmerston North City Council's Development Plan. Bike Manawatu is currently awaiting formal approval from the Palmerston North City Council to proceed with this project.

11. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report. (2016: Nil)

12. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

13. Prior Period Correction

2017: Nil 2016: The 2015 financial statements did not include a creditor for Traffic Management services that were undertaken in the 2015 financial year. This resulted in the expenses for the 2015 year being understated by \$4,150, the creditors understated by \$4,773 and the GST liability overstated by \$623. This opening balance of accumulated funds has been adjusted in the current year to reflect this error

