



Bicycle Queensland
Everyday cycling every day

ANNUAL REPORT 2011



President's Report

Bill Loveday



Bicycle Queensland faced some organisational challenges in the past twelve months, but rolls into 2012 with an unprecedented

level of cycling interest and exposure in our community.

In years past, BQ was one of the only players in the cycling event market and we enjoyed the profits and kudos that flowed from a public keen to embrace cycling. In large part, due to the great success of and participation in BQ events, tens if not hundreds of cycling events now crowd the calendar for the year ahead. We can take philosophical comfort this is good for cycling, and ponder our role and place in advancing the cause of cycling.

Strategically, BQ has had a challenging but again successful year. Important outcomes were achieved across our three core areas of membership, events, and advocacy and development.

BQ membership continues to grow and we remain one of Australia's largest membership-based cycling organisations. Our events continue to gather thousands of participants and

raise the profile of cycling around the state and the country. Despite numbers being down, BQ still prides itself on professionally run events that make cycling accessible for all members of the community, from first timers to seasoned riders.

Cycle Network Plans have been rolling out across the state due to the dedicated work of the Department of Transport and Main Roads. More rail trails have also been built and are being developed across many parts of regional Queensland; an area of great potential and excitement.

Discussions at the National level explored the pros and cons of a unified cycling organisation capturing all members of the cycling family. BQ was a keen participant, and from this we have strengthened our ties, strategically and practically, with some of our kindred cycling organisations, particularly the major state cycling bodies in Victoria, New South Wales, South Australia and Western Australia.

The Management Committee reflected on our strategic focus, and we have developed a new strategy document to guide our business for the years (rather than one year) ahead. We see our role as bringing cycling into the community and the world we live in, as something

that is an expected and everyday activity. Please take a moment to consider our current strategic statement as this is the blueprint for making this happen.

The Management Committee of 2011 was a highly talented and professional group of people with diverse skills and talents who have professionally governed our organisation. I thank all the members of the Management Committee, whose names are listed below, for their voluntary commitment of time, energy and clear thought to move BQ up a notch as an organisation.

Thank you to all of those who made a contribution to cycling in 2011. I especially salute our supporters in Queensland Government, Brisbane City Council and other key regional shire councils. I also acknowledge those people out there in Bicycle User Groups, fostering cycling in the communities and building the presence of cycling around the State.

I look forward to the year ahead and am sure, even in complex times, cycling can still emerge even stronger and healthier in 2012.

Yours in cycling,

Bill Loveday
President 2011-2012





Highlights of 2011

Keeping the organisation healthy

- 11,968 members
- Strong financial reserves
- Strong event attendance throughout the BDO Brisbane Coot-tha Challenge, Great Brisbane Bike Ride and Wilson HTM Brisbane to the Gold Coast Cycle Challenge
- Risk management established in all operations
- Strategic plan for organisation drafted
- Services to members improved through development of membership processing and new marketing benefits
- further improvements to BQ's office 'Bicycle House' towards efficiency and sustainability

Cycling in the community

- Broadened community influences with Bicycle Network through National Ride to Work Day and National Ride to School Day
- Brisbane CityCycle scheme launched in 2010 and expanded throughout 2011
- Record support for cycling from State Government, Brisbane City Council, and key regional councils
- Continued Principal Cycle Network planning undertaken in regional Queensland
- 'Broad church' feel to people riding bikes, replacing a 'cycling for cyclists' approach
- Strategic approach to cycling by State Government enshrined in policy and delivery
- Data showing more people cycling, more often

About Bicycle Queensland

Bicycle Queensland is a self-funded community organisation, independent of government. Our members are from diverse backgrounds and participate in all forms of cycling. Getting more people on bicycles is the passionate mission of Bicycle Queensland.

Everyday cycling every day

Our efforts secure better conditions for cyclists and get more people cycling.

Bicycle Queensland

- Represents the interests of members as cyclists
- Champions cyclists needs, rights and responsibilities
- Promotes better cycling facilities and safety
- Encourages more people to take up cycling for recreation and transport
- Provides services to cyclists

Members receive

- Personal accident insurance in case they crash while cycling and public-liability insurance in case they cause damage to someone else or their property while cycling
- Discounts on entry fees to Bicycle Queensland events including Bike Week, Cycle Queensland and the Brisbane to the Gold Coast Cycle Challenge (Many bike shops also offer discounts for Bicycle Queensland members)
- Bi-monthly copies of Australian Cyclist, the national cycling journal, and Queensland Cyclist, our member newsletter.

The Committee

The Management Committee of 2011:

President: Bill Loveday; Vice-President: Kym McDougall;
Secretary: Jenny Attreed; Treasurer: Brendan McGarry;
Committee Members: Kieran Lynch, Bruce Rogers, Greg Vann and Peter Seymour.

Manager's Report

Ben Wilson



Floods and cyclones aside, it was a good year for BQ and cycling. We confronted, managed and overcame some harsh physical and economic storms

which have forced us to look intently inward at our operations but without sacrificing any part of our overriding mission.

As Bicycle Queensland becomes a larger, more influential and purposeful organisation, we are simultaneously more exposed to the same tougher economic times that affect all organisations, including those in the business world, who are creating and delivering products.

Our product is great, but the market is a challenge. So while we have seen a good year with more people cycling, more cycling infrastructure, and strong commitments to cycling by government at all levels, we have struggled to maintain our previously unchallenged growth in profitability. Fortunately our wise investment in both preserving existing capital and self-insuring against a 'rainy' year has proven

apposite. Our operations have been able to continue delivering our key strategic targets of making our state a better place to cycle, getting more Queenslanders riding, and building a healthier community.

Cycling Development

The most authoritative government survey (Austroads and the Australian Bicycle Council) of cycle use in Australia was released in late 2011, revealing cycling rates were higher than those recorded in previous household surveys (ABS). This indicates how good our product is, and its importance in the community.

It strongly justifies the increasing spends by government and responsible councils on cycling - they are right in recognising the need to rebuild Queensland for a cycling future.

Planning is the pre-emptor to this, and 2011 saw more strategic planning taking place in 'uncharted' regions of the state, with more planned for early 2012. Completion of a state wide series of Principal Cycle Network Plans is a reality in the short term. The adoption by the state government of the Cycling Infrastructure Policy gives a strong case for the inclusion of cycling in all major projects.

2011 saw Brisbane City Council introduce Australia's first and biggest low-cost bike share scheme. Bicycle Queensland was pleased to be a strong ally to the scheme. Although still to be fully implemented (approximately 75% implemented in 2011 towards its target of 2000 freely available share bikes) it is emerging as a clear success in usage, while delivering the message that bike riding is part of the health and transport agenda.

Internally Bicycle Queensland has maintained strategic support for better ways of planning and delivering more people cycling and has continued developing closer working relationships with Australia's other principal state cycling organisations. We are paying more attention to protected bikeways, on and off-road, with our eye on the massive number of people who have bikes but under-utilise them as they don't feel safe riding amongst traffic. Riding to school and local utility trips are critical areas for BQ to support, strategically and in practice.

Organisation

BQ has responded to and at times altered its position, in relation to risk management considerations that affect the organisation as a deliverer of public events. This attention to risk management has assisted BQ through a very tough year, and prepared groundwork for challenges ahead.

Improvements are constantly being implemented to all areas of our operation, some with short term gains, and others to pay dividends in future years.

Membership over 2011 has risen from 11764 to 11968 - a modest growth but significant in the face of financial pressures that cause many people to trim their personal expenses.

Events

As we continue to seek better outcomes from events to further our strategic interests of getting more people cycling, we are feeling the



challenge of general economic forces on our major events program.

Queensland kicked off 2011 with the floods - hardly an ideal lead up to Bike Week in March. Its attendances suffered, and as the year rolled on, the general economic uncertainty combined with an extraordinarily high dollar saw a trend develop. Cycle Queensland suffered a 20% attendance downturn despite its service and satisfaction levels remaining in the high 90% range. This largely contributed to our overall operating deficit in 2011, and attention has been focused on learning and improving from this experience.

BQ has implemented considerable administration efficiencies and improved marketing activities to confront these challenges to our operations.

Future

Our close ties with key interstate stakeholders have aided BQ internally and externally. The concept of a Bicycle Network delivering better programs to get more people riding bicycles fits neatly with our mission. National Ride to Work Day and National Ride to School Day are both key

activities which will be built upon at a state and national level to weld our future to attaining behaviour change.

The general appreciation of the bicycle is clearly moving towards acceptance of its role in healthy transportation in Australia.

BQ's organisational role is to deliver on our Management Committee's strategic direction to have cycling normalised in our community. A combination of our work with our legendary volunteers, our key stakeholders and an increasingly interested community will make the inevitable challenges of 2012, ones we are prepared for.



Review of Financial Reports

2011 was a financial challenge for the organisation, primarily due to a drop in rider numbers across all events. Event revenue fell by \$552,916 compared to the prior year. This shortfall was substantially offset by savings achieved in operating expenses and by growth in other revenue streams, however, the overall trading result for the year was a deficit of \$146,338. BQ's financial position remains strong, with Net Equity of \$1.502 million at year end

Number of eligible voting members as at 31st December 2011: 8,198.



Abridged Financial Report

SUMMARY FINANCIAL STATEMENT YEAR ENDED 31ST DECEMBER 2011 BICYCLE QUEENSLAND INC. ABN: 11 428 868 797

	2011 \$	2010 \$
STATEMENT OF FINANCIAL POSITION		
Current Assets		
Cash and cash equivalents	313,444	96,012
Investments	1,090,445	1,430,549
Trade and other receivables	38,777	23,141
Inventories	21,116	21,020
Other current assets	94,723	71,407
Total Current Assets	1,558,505	1,642,129
Non Current Assets		
Property, plant and equipment	114,883	153,674
TOTAL ASSETS	1,673,389	1,795,803
Current Liabilities		
Trade and other payables	81,823	74,155
Short-term provisions	77,622	64,139
Total Current Liabilities	159,445	138,294
Non Current Liabilities		
Long-term provisions	11,590	8,818
TOTAL LIABILITIES	171,036	147,112
NET ASSETS	1,502,353	1,648,691

STATEMENT OF CHANGES IN EQUITY		
Equity as at beginning of period	1,311,691	1,245,537
Event Contingency Reserve	162,000	162,000
Event Capital Reserve	175,000	175,000
Transfers from retained earnings	-	-
Profit/(Loss)	(146,338)	66,154
TOTAL EQUITY	1,502,353	1,648,691

NOTE 1

The summary financial statements are an extract of the full financial report for the year ended 31 December 2011.

The financial statements included in the summary financial statements are derived from and are consistent with the full financial report of Bicycle Qld Inc.

	2011 \$	2010 \$
STATEMENT OF COMPREHENSIVE INCOME		
Income		
Events	1,772,231	2,325,147
Fundraising & donations	5,953	22,263
Interest	97,058	94,527
Membership	570,938	476,261
Other products & services	165	1,357
	2,446,346	2,919,555
Expenses		
Audit & legal	4,879	4,441
Depreciation	94,132	87,290
Employee benefits	750,393	747,809
Insurance	121,045	115,896
IT & online	24,803	10,310
Merchandise	513,938	599,357
Minor equipment purchase	7,140	5,974
Occupancy	67,577	60,574
Printing and promotion	101,682	104,024
Supply & service	882,509	1,113,825
Other	24,586	3,901
Income tax expense	-	-
	2,592,684	2,853,401
PROFIT/(LOSS)	\$ (146,338)	66,154

STATEMENT OF CASH FLOWS		
Cash Flow from Operating Activities		
Receipts from customers	2,555,122	2,990,871
Interest received	97,058	94,527
Payments to suppliers and employees	(2,672,564)	(2,798,733)
Payments to ATO	(46,948)	(99,735)
Net cash from operating activities	(67,332)	186,930
Cash Flow from Investing Activities		
Purchase property plant & equipment	(55,341)	(52,499)
Net cash from investing activities	(55,341)	(52,499)
NET INCREASE IN CASH HELD	(122,673)	134,431
Cash at beginning of financial year	1,526,562	1,392,131
CASH AT END OF FINANCIAL YEAR	1,403,889	1,526,562

BICYCLE QUEENSLAND INC

ABN: 11 428 868 797

Independent Auditor's Report to the members of Bicycle Queensland Inc for Year Ended 31 December 2011

To the members of Bicycle Queensland Inc

Report on the Summary Financial Statements

I have audited the accompanying summary financial statements which comprise the summary statement of financial position as at 31 December 2011, the summary statement of comprehensive income and summary statement of cash flows for the year then ended derived from the audited financial report of Bicycle Queensland Inc for the year ended 31 December 2011. I expressed a qualified audit opinion on that financial report in my report dated 16 February 2012. (see below).

Committee of Management Responsibility for the Summary Financial Statements

The management committee of Bicycle Queensland Inc are responsible for the preparation of the summary of the audited financial report on the basis described in Note 1.

Auditor's Responsibility

My responsibility is to express an opinion on the summary financial statements my procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

Qualification

As is common for organisations of this type, it is not practical for the Management Committee to maintain effective systems of internal control over funds until their initial entry in the accounting records. Accordingly my audit in relation to funds collected was limited to amounts recorded.

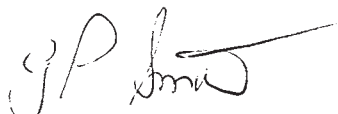
Qualified Opinion

In my opinion, the summary financial statements derived from the audited financial report of Bicycle Queensland Inc for the year ended 31 December 2011 are consistent, in all material respects, with that audited financial report, on the basis described in Note 1. Having regard to the above qualification, the summary financial statements of Bicycle Queensland Inc are in accordance with the Associations Incorporation Act of Queensland, including:

- (a) giving a true and fair view of the organisation's financial position as at 31 December 2011 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 1039 *Concise Financial Reports* and the *Associations Incorporation Act 1981* to the extent outlined in Note 1 to the Financial Statements.

Basis of Accounting and Restriction on Distribution

Without modifying my opinion, I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Bicycle Queensland Inc to meet the requirements of the *Incorporated Associations Act 1981*. As a result, the financial report may not be suitable for another purpose



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Date 24/2/2012



BQ Sponsors in 2011

Special thanks to these organisations for their support:

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