

BICYCLING EMPOWERMENT NETWORK (NPC)

(Registration Number 2000/030873/08)

Annual Financial Statements for the year ended 31 August 2018

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The reports and statements set out below comprise the annual financial statements presented to the directors:

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BICYCLING EMPOWERMENT NETWORK (NPC)

(Registration Number 2000/030873/08)

Annual Financial Statements for the year ended 31 August 2018

General Information

Country of Incorporation and Domicile	South Africa
Nature of Business and Principal Activities	Promoting the use of bicycles as a cheaper, environment friendly and healthier mode of transport
Directors	L. de Waal K.B. Sturgeon G.J. Thomas H.M. Nchupetsang F. Van Der Velde G.P.D Laing B.S Thompson
Registered Office	30 Eastlake Drive Eastlake Island Marina da Gama Cape Town 7945
Bankers	First National Bank
Independent Auditors	BGC Registered Auditors Chartered Accountants (SA) Suite 201, 200 on Main 200 Main Road Claremont 7708
Company Registration number	2000/030873/08
Non-Profit Organisation registration number	NPO 653 738
Public Benefit Organisation registration number	930 016 861

Independent Auditor's Report

To the Directors of Bicycling Empowerment Network (NPC)

Qualified Opinion

We have audited the financial statements of Bicycling Empowerment Network (NPC) set out on pages 8 to 20, which comprise the statement of financial position as at 31 August 2018, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of the company as at 31 August 2018, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Basis for Qualified Opinion

As is common with similar organisations, it is not feasible for the company to institute accounting controls over the cash collections from donations and other undertakings, prior to initial entry of these collections in the accounting records. We were unable to obtain sufficient appropriate evidence about the completeness of donations for the year due to lack of supporting documentation. Accordingly, it was impractical for us to extend our examination beyond the receipts actually recorded and to conclude on the completeness of donations, although we have no reason to suppose that there were any omissions.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa, and the supplementary information set out on pages 21 to 22. Other information does not include the financial statements and our auditor's report thereon.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

PARTNERS :

GA GORDON CA (SA), L SHER BCOM CA (SA), DI SHONE BCOM CA (SA), NP GORDON BCOM CA (SA), SR WALKER BCOM CA (SA)

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



BGC
Registered Auditors

Per: L. Sher CA (SA)
Registered Auditor
Partner

12 November 2018

Suite 201, 200 on Main
200 Main Road
Claremont
7708

BICYCLING EMPOWERMENT NETWORK (NPC)

(Registration Number 2000/030873/08)

Annual Financial Statements for the year ended 31 August 2018

Directors' Responsibilities and Approval

The directors are required by the South African Companies Act to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards as to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the annual financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the company.

The annual financial statements have been audited by the independent auditing firm, BGC, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholder the board of directors and committees of the board. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditors' qualified audit report is presented on pages 3 to 4.

The annual financial statements as set out on pages 8 to 20 were approved by the board on ~~12 November~~ 5 DECEMBER 2018 and were signed on their behalf by: *hduw*

L. de Waal
x _____
L. de Waal

K.B. Sturgeon
x _____
K.B. Sturgeon

BICYCLING EMPOWERMENT NETWORK (NPC)

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Annual Financial Statements for the year ended 31 August 2018

Directors' Report

The directors present their report for the year ended 31 August 2018.

1. Review of activities

Main business and operations

The principal activity of the company is promoting the use of bicycles as a cheaper, environment friendly and healthier mode of transport and there were no major changes herein during the year.

The operating results and statement of financial position of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework require adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

4. Borrowing limitations

In terms of the Memorandum of Incorporation of the company, the directors may exercise all the powers of the company to borrow money, as they consider appropriate.

5. Directors

The directors of the company during the year and to the date of this report are as follows:

L. de Waal
K.B. Sturgeon
G.J. Thomas
H.M. Nchupetsang
F. Van Der Velde
G.P.D Laing
B.S Thompson

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Directors' Report

6. Independent Auditors

BGC were the independent auditors for the year under review.

BGC is a firm of Registered Auditors and Chartered Accountants (SA), registered with both the Independent Regulatory Board for Auditors and the South African Institute of Chartered Accountants.

BICYCLING EMPOWERMENT NETWORK (NPC)

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Financial Statements for the year ended 31 August 2018

Statement of Financial Position

Figures in R	Notes	2018	2017
Assets			
Non-Current Assets			
Property, plant and equipment	3	21 502	45 464
Current Assets			
Inventories	4	9 473	92 124
Trade and other receivables	5	42 077	112 279
Cash and cash equivalents	6	3 097 281	838 118
		3 148 831	1 042 521
Total Assets		3 170 333	1 087 985
Equity and Liabilities			
Equity			
Retained earnings		149 980	51 559
Current Liabilities			
Income received in advance	7	2 815 056	772 860
Trade and other payables	8	205 297	263 566
		3 020 353	1 036 426
Total Equity and Liabilities		3 170 333	1 087 985

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Statement of Comprehensive Income

Figures in R	Note	2018	2017
Revenue		3 273 677	3 228 374
Direct costs		(427 027)	(297 290)
Net income after direct costs		2 846 650	2 931 084
Other income		51 817	2 786
Operating costs		(2 939 143)	(2 957 533)
Operating (deficit)	9	(40 676)	(23 663)
Finance income		140 100	34 971
Finance costs		(1 003)	-
Net surplus for the period		98 421	11 308

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Financial Statements for the year ended 31 August 2018

Statement of Changes in Equity

Figures in R	Retained earnings	Total
Balance at 1 September 2016	40 251	40 251
Surplus for the year	11 308	11 308
Balance at 31 August 2017	51 559	51 559
Balance at 1 September 2017	51 559	51 559
Surplus for the year	98 421	98 421
Balance at 31 August 2018	149 980	149 980

BICYCLING EMPOWERMENT NETWORK (NPC)

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Financial Statements for the year ended 31 August 2018

Statement of Cash Flows

Figures in R	Note(s)	2018	2017
Cash flows from operating activities			
Surplus for the year		98 421	11 308
<i>Adjustments for:</i>			
Finance costs		1 003	-
Depreciation of Property, plant and equipment		20 298	23 117
Investment income		(140 100)	(34 971)
Profit on disposal of property, plant and equipment		-	(178)
Operating cash flow before working capital changes		(20 378)	(724)
<i>Working capital changes</i>			
Decrease/(increase) in inventories		82 651	(48 545)
Decrease/(increase) in trade and other receivables		70 202	(58 989)
Increase in trade and other payables		1 983 926	757 692
Cash generated by operating activities		2 116 401	649 434
Investment income		140 100	34 971
Finance costs		(1 003)	-
Net cash from operating activities		2 255 498	684 405
Cash flows from investing activities			
Property, plant and equipment acquired	3	(2)	-
Proceeds on disposals of property, plant and equipment		3 667	969
Net cash generated by investing activities		3 665	969
Increase in cash and cash equivalents		2 259 163	685 374
Cash and cash equivalents at beginning of the year		838 118	152 744
Cash and cash equivalents at end of the year	6	3 097 281	838 118

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Financial Statements for the year ended 31 August 2018

Accounting Policies

1. General information

Bicycling Empowerment Network (NPC) is a non-profit company incorporated in South Africa.

2. Summary of significant accounting policies

These annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared under the historical cost convention and are presented in South African Rands.

2.1 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and/or services in the ordinary course of the company's activities. Revenue is shown net of value-added tax, returns, and discounts.

The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities, as described below:

2.1.1 Sale of goods

Sales of second hand bicycles are recognised when the entity sells bicycles to the customer as control passes to the customer on the day the transaction takes place.

2.1.2 Donations income

Donations are recognised as revenue as and when they are received.

2.1.3 Interest income

Interest income is recognised using the effective interest rate method.

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Financial Statements for the year ended 31 August 2018

Accounting Policies

2.2 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The residual value, depreciation method and useful life of each asset are reviewed at each annual reporting period if there are indicators present that there has been significant change from the previous estimates.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following rates are used for the depreciation of property, plant and equipment:

Plant and equipment	5 years
Motor vehicles	3 years
Furniture and fittings	6 years
Computer equipment	3 years

2.3 Impairment of non-current assets

At each balance sheet date, the carrying amounts of tangible and intangible assets and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If the fair value less costs to sell of an asset (or group of assets) is estimated to be less than its carrying amount, the carrying amount of the asset (or group of assets) is reduced to its fair value less costs to sell. An impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of assets) is increased to the revised estimate of its fair value less costs to sell, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.4 Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. Determining whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an assessment of whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases of assets are classified as finance leases when the leases transfer substantially all risks and rewards incidental to ownership of the assets to the company. All other leases are classified as operating leases.

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Financial Statements for the year ended 31 August 2018

Accounting Policies

2.5 Inventories

Inventory comprises goods for resale and goods for distribution at no or nominal consideration as part of the company's charitable activities. Inventories may be purchased or received by way of donations. Inventories which are purchased are initially measured at cost and subsequently written down to the lower of cost or estimated selling price. Cost is calculated using the average historical cost method. Inventories which are donated are measured at their estimated fair values with the benefit being recognised as income in profit or loss. At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its estimated selling price.

2.6 Trade and other receivables

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

2.7 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown under current liabilities on the statement of financial position.

2.8 Employee benefit obligations

2.8.1 Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

2.9 Trade payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest rate method.

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Financial Statements for the year ended 31 August 2018

Accounting Policies

2.10 Income received in advance

Income received in advance is measured at the historical value of the amount expected to be required to settle the obligations relating to project cost from donations received which at year end has not been utilised.

2.11 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The fund based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the fund. Such changes are reflected in the assumptions when they occur.

BICYCLING EMPOWERMENT NETWORK (NPC)

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Financial Statements for the year ended 31 August 2018

Notes to the Annual Financial Statements

Figures in R	2018	2017
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3. Property, plant and equipment

	Cost	Accumulated depreciation	2018 Carrying value	Cost	Accumulated depreciation	2017 Carrying value
<i>Owned assets</i>						
Plant and equipment	-	-	-	21 500	(17 833)	3 667
Motor vehicles	20 000	(12 000)	8 000	20 000	(6 667)	13 333
Furniture and fittings	17 316	(7 283)	10 033	17 316	(4 760)	12 556
Computer equipment	62 309	(58 840)	3 469	62 307	(46 399)	15 908
	99 625	(78 123)	21 502	121 123	(75 659)	45 464

The carrying amounts of property, plant and equipment can be reconciled as follows:

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2018 Carrying value at end of year
<i>Owned assets</i>					
Motor vehicles	13 333	-	-	(5 333)	8 000
Furniture and fittings	12 556	-	-	(2 523)	10 033
Computer equipment	15 908	2	-	(12 441)	3 469
	45 464	2	(3 667)	(20 297)	21 502

	Carrying value at beginning of year	Additions	Disposals	Depreciation	2017 Carrying value at end of year
<i>Owned assets</i>					
Plant and equipment	4 667	-	-	(1 000)	3 667
Motor vehicles	18 666	-	-	(5 333)	13 333
Furniture and fittings	15 553	-	(167)	(2 830)	12 556
Computer equipment	30 486	-	(624)	(13 954)	15 908
	69 372	-	(791)	(23 117)	45 464

4. Inventories

Inventories comprise:

Promotional clothing	258	305
Bicycles - merchandise	9 215	91 819
	9 473	92 124

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Financial Statements for the year ended 31 August 2018

Notes to the Annual Financial Statements

Figures in R	2018	2017
5. Trade and other receivables		
Trade debtors	34 151	29 730
Sundry debtors	35	8 056
Deposits	5 600	7 500
Value Added Tax	2 291	66 993
	<u>42 077</u>	<u>112 279</u>
6. Cash and cash equivalents		
Favourable cash balances		
Cash on hand	3 000	3 000
Current account - FNB	101 262	122 198
Call account - FNB	443 177	712 920
FNB 32 day deposit a/c	2 549 842	-
	<u>3 097 281</u>	<u>838 118</u>

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Notes to the Annual Financial Statements

Figures in R	2018	2017
7. Income received in advance		
Fuad Hendricks		
Carrying amount at the beginning of the year	-	16 300
Funds received	-	-
Funds utilised during the period	-	(16 300)
Carrying amount at end of the year	-	-
Western Cape Bicycle Distribution		
Carrying amount at the beginning of the year	-	150 000
Funds received	-	-
Funds utilised during the period	-	(150 000)
Carrying amount at end of the year	-	-
Schools Project		
Carrying amount at the beginning of the year	-	33 100
Funds received	-	-
Funds utilised during the period	-	(33 100)
Carrying amount at end of the year	-	-
Kommetjie Corridor Project		
Carrying amount at the beginning of the year	772 860	-
Funds received	3 525 440	1 476 360
Funds utilised during the period	(1 483 244)	(703 500)
Carrying amount at end of the year	2 815 056	772 860
Total income received in advance	2 815 056	772 860
8. Trade and other payables		
Trade creditors	32 105	102 472
Leave and bonus pay accrual	173 192	161 094
	205 297	263 566

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Notes to the Annual Financial Statements

Figures in R	2018	2017
9. Operating profit		
Operating profit is arrived at after taking into account the following items:		
<i>Income</i>		
Profit on disposal of property, plant and equipment	-	178
<i>Depreciation and impairments</i>		
<i>Owned assets</i>		
Plant and equipment	-	1 000
Motor vehicles	5 333	5 333
Furniture and fittings	2 524	2 830
IT equipment	12 441	13 954
	<u>20 298</u>	<u>23 117</u>
<i>Auditors' remuneration</i>		
-current	<u>33 787</u>	<u>34 248</u>
<i>Operating lease charges</i>		
Premises	<u>212 370</u>	<u>182 327</u>

10. Income taxation expense

Taxation has not been provided for as the entity is an exempt organisation in terms of Section 10(1) of the Income Tax Act.

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Financial Statements for the year ended 31 August 2018

Notes to the Annual Financial Statements

Figures in R	2018	2017
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11. Related party transactions

Related Party	Nature of relationship
SEE Sustainability CC	Common Directors
Pedal Power Association	Common Directors
Ken Sturgeon	Director
On Bikes Works	Common Directors

Name	Relationship	Transactions	Transactions with related party		Amounts owed (to) / by the related party at year-end	
			2018	2017	2018	2017
Pedal Power Association	Common Directors	Trade payable/ Accrual	-	-	(1 800)	-
SEE Sustainability CC	Common Directors	Project costs/ Consulting	-	14 050	-	-
On Bikes Works	Common Directors	Upgrading BEC	61 646	13 369	-	-

BICYCLING EMPOWERMENT NETWORK (NPC)

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Financial Statements for the year ended 31 August 2018

Detailed Income Statement

Figures in R	2018	2017
Gross Revenue		
Sales	521 064	521 755
Grants and donations	759 552	1 145 689
Project income	1 993 061	1 560 930
	<u>3 273 677</u>	<u>3 228 374</u>
Cost of Sales		
Opening stock	92 124	43 579
Shipping and clearing costs	272 781	219 933
Purchases	71 595	125 902
Closing stock	(9 473)	(92 124)
	<u>427 027</u>	<u>297 290</u>
Gross Profit	<u>2 846 650</u>	<u>2 931 084</u>
Other Income		
Interest received	140 100	34 971
Profit on sale of property, plant and equipment	-	178
Recoveries	51 817	2 608
	<u>191 917</u>	<u>37 757</u>
	<u>3 038 567</u>	<u>2 968 841</u>

The supplementary information presented does not form part of the annual financial statements and is unaudited

BICYCLING EMPOWERMENT NETWORK (NPC)

(Registration Number 2000/030873/08)

Financial Statements for the year ended 31 August 2018

Detailed Income Statement

Figures in R	2018	2017
Operating expenditure		
Advertising	98 392	17 165
Auditors' remuneration	33 787	34 248
Bank charges	30 663	21 728
Cleaning	5 250	6 000
Computer expenses	37 888	45 991
Consulting fees	225 500	230 250
Depreciation	20 298	23 117
Electricity and water	41 845	49 079
Finance costs	1 003	-
Insurance	20 557	20 046
Lease rental on operating lease	212 370	182 327
Motor vehicle expense	27 940	18 739
Postage, printing and stationery	18 827	15 027
Refreshments	16 546	11 803
Repairs and maintenance	24 591	6 970
Salaries	651 472	552 756
Security	5 086	4 720
Staff recruitment	-	9 600
Telephone and fax	29 022	24 006
Training	950	4 075
Travel	5 420	37 137
	<u>1 507 407</u>	<u>1 314 784</u>
Net operating income before project expenditure	<u>1 531 160</u>	<u>1 654 057</u>
Project expenses	1 432 739	1 642 749
Surplus for the year	<u>98 421</u>	<u>11 308</u>

The supplementary information presented does not form part of the annual financial statements and is unaudited