

PEDAL POWER ASSOCIATION

TREASURER'S REPORT 1 JULY 2022 to 30 JUNE 2023

FINANCIAL STRATEGY

The PPA is a public benefit organisation with the primary objective of promoting cycling. The Executive Committee pursues a conservative financial policy which facilitates achieving the objectives of the organisation.

During the year, the PPA Office presents monthly financial reports to the Management and Finance Committee for review, after which the monthly financial results are presented to the full PPA Executive Committee. This ensures that the committee is aware of financial matters on an on-going basis. During the past year the Management and Finance committee met when required and the Executive Committee met 5 times. At all times a quorum was present.

AUDITED FINANCIAL STATEMENTS

The Audited Annual Financial Statements for the year ended 30 June 2023 have not been reproduced in full. Copies are available on request from the PPA Office.

Sponsorship changes and reduced entries in respect of the Cape Town Cycle Tour continue to result in a reduced distribution from the Cycle Tour Trust to the PPA. The organisation is implementing its strategic plan, including the pivot to an increased advocacy role and the accessing of broader funding streams. In this transitional period the organisation will necessarily run at a deficit and will utilise reserves as planned. The PPA prudently anticipates that the distribution from the Cape Town Cycle Tour Trust will remain depressed in the short and medium term.

The financial results of the PPA were audited by our independent registered auditors, Braude Gordon & Co who issued an unmodified audit opinion. The key features of this year's financial performance are as follows:

PEDAL POWER ASSOCIATION
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2023

	2023	2022
	R	R
ASSETS		
NON-CURRENT ASSETS	4 442 501	4 613 046
Property Plant and Equipment	4 442 501	4 613 046
CURRENT ASSETS	4 342 437	6 290 915
Other current assets	272 764	307 560
Trade and other receivables	1 982 057	1 554 524
Bank	2 087 616	4 428 831
TOTAL ASSETS	8 784 938	10 903 961
EQUITY AND LIABILITIES		
EQUITY	7 153 656	9 771 539
Accumulated surplus	7 153 656	9 771 539
CURRENT LIABILITIES	1 631 282	1 132 422
Trade and other payables	1 199 021	816 440
Income received in advance	432 261	315 982
TOTAL EQUITY AND LIABILITIES	8 784 938	10 903 961

PEDAL POWER ASSOCIATION

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	R	R
REVENUE	3 414 776	4 289 695
Subscriptions received	1 475 883	1 252 306
CTCT Income	200 000	200 000
DC Income	452 000	880 000
PPA Trust	748 307	583 147
Finance income	153 291	200 196
Profit on sale of property, plant and equipment	51 000	-
Net rental income	321 545	340 296
Other non-turnover items	12 750	833 750
OPERATING COSTS	5 459 685	4 791 918
OPERATING SURPLUS/(DEFICIT)	(2 044 909)	(502 223)
EVENT EXPENSES/(SURPLUS)	677 020	(311 893)
PROJECT FUNDING EXPENSES/(SURPLUS)	(104 043)	(321 534)
NET SURPLUS/(SHORTFALL)	(2 617 886)	131 204

OPERATING EXPENSE LISTING FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	R	R
Accounting fees	84 686	-
AGM Expenses	4 000	19 796
Audit Fees	125 871	117 921
Bank charges	23 435	19 336
Cleaning	40 000	-
Computer Expenses	43 001	30 334
Copier service fee	14 398	5 131
Credit Card Commission	252 044	129 313
Depreciation	13 968	9 379
Electricity	6 891	10 542
Finance cost	16 246	7 497
Garden	22 580	29 109
Groceries	9 430	3 256
Honoraria	-	-
Insurance	48 600	41 028
Legal Fees	101 405	36 181
Loss on sale of fixed assets	-	19 000
Marketing	288 094	93 174
Motor Vehicles Expense	70 237	65 669
Municipal Costs	181 957	149 937
Postage, printing and stationery	23 664	9 541
PPA Bloemfontein Office	-	13 793
Professional Fees	138 201	269 908
Refreshments & Catering	19 281	5 196
Repairs & Maintenance	81 951	248 424
Salaries	3 763 285	3 396 016
Security	6 865	5 972
Staff Training	-	23 896
Subscriptions	516	1 026
Telephone	35 449	31 543
Tenant installation costs	-	-
Travel - Local	43 630	-
OPERATING COSTS	5 459 685	4 791 918

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EVENTS EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	R	R
Killarney training	(43 855)	(16 510)
Leagues	-	-
Marketing	-	-
PPA Events	772 877	(290 959)
Supported events	(43 939)	(8 329)
Timekeeping - Race administration expenses	(8 063)	3 905
	<u>677 020</u>	<u>(311 893)</u>
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PEDAL POWER ASSOCIATION**PROJECT COSTS FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	R	R
Bike 4 All	170 379	(555 918)
PPA Cycling Academy	-	-
BMX	-	-
Community projects	-	-
Commuting	-	-
CSA	-	370 500
Development	-	-
Disabled	-	-
Discount to members in respect of 2017 CTCT	-	-
Discretionary fund	-	2 415
MTB	-	-
Operational expenses	-	-
Public Open Spaces	-	-
Safe Cycling	(274 422)	(138 531)
	<u>(104 043)</u>	<u>(321 534)</u>
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