

On Your Bike (Recycle) Ltd
(A Charitable Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 28 February 2014

Company Number: 07743521
Charity Registered in England and Wales Number: 1143731



On Your Bike (Recycle) Ltd
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For the Year Ended 28 February 2014

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On Your Bike (Recycle) Ltd
Reference and Administrative Details
For the Year Ended 28 February 2014

Trustees and Directors

M S Rigby (Chairman)
M C Blackwell
J Hall
B J Fox (Treasurer)
P F Vacani
S J Walker

Chief Executive

B J Fox

Principal Office and Registered Office

Unit 14
Trinity Business Centre
South Street
Taunton
Somerset
TA1 3AQ

Independent Examiner

Paul Hake FCCA
Albert Goodman LLP
Mary Street House
Mary Street
Taunton
Somerset
TA1 3NW

On Your Bike (Recycle) Ltd
Trustees' Report
For the Year Ended 28 February 2014

The trustees, who are also directors for the purposes of the Companies Act, present their report and the unaudited financial statements of the charity for the year ended 28 February 2014.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 (revised 2008), and are in accordance with the special provision relating to small companies within Part 15 of the Companies Act 2006.

Public benefit

The trustees report that the charitable activities, described in the "Mission statement", "Activities" and "Achievements and performance" paragraphs, are for the public benefit. The trustees also confirm that they have complied with section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Structure, governance and management

On Your Bike (Recycle) Ltd is an independent charity, registered number 1143731 and a company limited by guarantee, registered number 07743521.

The governing document is the memorandum and articles of association dated 4 July 2011.

The following trustees who are also directors for the purposes of company law, served during the year:

M S Rigby	
M C Blackwell	
B J Fox	
J Hall	(Appointed 14 th November 2013)
M R Gritten	(Retired 11 th March 2013)
P F Vacani	
S J Walker	

New trustees, appointed by a resolution of the other trustees, must retire at the next annual general meeting when they can seek re-election.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of liquidation of the company.

The trustees attend board meetings quarterly. The trustees delegate the management and operation of the company to the chief executive, B J Fox.

Mission statement

The On Your Bike mission has three interrelated parts as follows:

- to recycle and sell bicycles at prices that most people can afford and to support this with a mobile repair and servicing service;
- to promote community cohesion through promoting health benefits, training and employment, and encouraging recycling;
- to operate on a sustainable financial basis by expanding the sale of bicycles to support the development of cycle transport schemes and organisations that promote cycling to their staff.

Activities

On Your Bike (Recycle) Ltd ("On Your Bike") was set up to provide sustainable services to the public whilst at the same time improving the environment. It also provides mechanical training to the young and to offenders. Training may also include numeracy and literacy skills. On Your Bike is a charity that aims:

- to reduce the thousands of tonnes of bikes that end up in landfill every year in the UK;
- to recycle/reuse as many bike parts as possible;
- to employ and train as many young and disadvantaged people as possible to become cycle mechanics;
- to expand throughout the UK with firms that have environmental or ecological values at their core.

The vision is to become sustainable by generating sufficient surplus from several income streams to part fund projects to support the community. Income streams include:

- selling bikes, parts and their accessories;
- working with partners to provide cycle hire schemes using recycled bikes and employing disadvantaged people trained through On Your Bike;
- running training and education courses based on bike recycling and mechanics.

The income that has been generated will, if necessary, be combined with funding from charitable sources to run projects.

At the completion of any training or course, a certificate of competence is issued to the trainee. The charitable projects of On Your Bike include:

- training the disadvantaged and/or young to enable them to obtain work;
- training and assisting offenders;

- training and challenging young people;
- improving the health and well-being of individuals;
- training and encouraging the public, in particular women and children, who are less likely to use bikes, to cycle safely.

Achievements and performance

Major achievements:

- We have recycled over 2,500 bikes, which have been donated, sold or saved from landfill, plus over a tonne of parts and accessories;
- We have invested 2,800 hours in the training of 65 individuals;
- We moved from Wellington to much larger new premises in Taunton thanks to Summerfield Developments, who gave us generous terms to make this affordable. We can now train many more individuals, as we have four times the training capacity;
- We have opened a Hire, Sale and Service hub at Taunton Railway Station, thanks to the generosity of First Great Western and Network Rail. We now have more revenue potential and can give training experience to more of those in need within our client group;
- In just a short space of time, 15 individuals who were trained by On Your Bike have already found employment, with 6 having attained National Standards Qualifications via the training and funding provided by On Your Bike;
- We have serviced and repaired hundreds of 'family bikes' that most cycle shops turn away or are priced so high to repair, that they are very likely to be dumped;
- We have provided mobile repair services to numerous rural locations and businesses (CPS, ASDA, B&Q, Met Office and EDF), saving many car journeys to bike shops;
- We have built relationships with business clients such as the local NHS Trust, Network Rail (dumped bike collection service) and LUSH (High Street chain) who have bought 22 recycled, LUSH liveried bikes for their head office in Poole, Dorset;
- We have built partnerships with Taunton Homeless Association, Langley House Trust, Somerset Skills, Somerset College, Exeter Communities Initiative, Network Rail, First Great Western, NHS Trust. Tim Smit, as 'a fan of On Your Bike' gives us advice and so does Jeremy Brown MP. New On Your Bike fans include the up and coming competitive cyclist Chris Opie;
- We have succeeded in proving the social enterprise to be financially sustainable;
- We have continued monthly servicing and bike clinics for staff at the Met Office (Exeter);

On Your Bike (Recycle) Ltd
Trustees' Report
For the Year Ended 28 February 2014

- The company began making online sales of recycled bikes and bike parts through the EBay store in November 2012;
- We have increased the number of our volunteers from 10 to 14;
- We were informed that two applications for funding to help even more of our client group would be forthcoming over then following 6 months; being approximately £9,000 from the Big Lottery and a similar sum from the People's Health Lottery.

Financial review

The 2014 accounts show net outgoing resources of £4,193 (2013 – net incoming resources of £17,496). This is as a result of increased trading activities generating further costs.

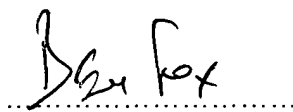
Income reserves

The trustee's policy on income reserves is to maintain sufficient reserves for the charity to continue to meet its ongoing commitments and to provide sufficient funds to develop and extend the services provided by the charity. The unrestricted funds of the company amounted to £13,225 as at 28 February 2014.

Risk management

The trustees have considered the major risks to which the charity is exposed. They have reviewed those risks and established systems and procedures to manage them appropriately.

Signed by order of the trustees on 4.1st 14



B J Fox
Director

On Your Bike (Recycle) Ltd
Statement of Trustees' Responsibilities
For the Year Ended 28 February 2014

The trustees (who are directors of On Your Bike (Recycle) Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent examiner's report to the trustees of On Your Bike (Recycle) Ltd

I report on the financial statements of the company for the year ended 28 February 2014, which are set out on pages 10 to 14.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examination

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a "true and fair view" and the report is limited to those matters set out in the statement below.

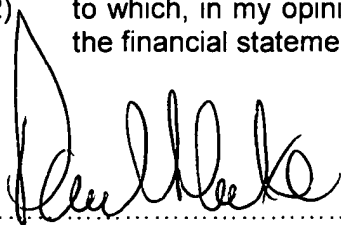
Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



.....
Paul Hake FCCA
Albert Goodman LLP
Chartered Accountants
Mary Street House
Mary Street
Taunton
Somerset
TA1 3NW

Dated: 13 November 2014

On Your Bike (Recycle) Ltd
Statement of Financial Activities
For the Year Ended 28 February 2014

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Incoming resources					
Incoming resources from generated funds:					
Donations		1,229	2,950	4,179	21,308
Incoming resources from charitable activities:					
Sale of bikes and accessories		73,074	-	73,074	55,062
Total incoming resources		74,303	2,950	77,253	76,370
Resources expended					
Charitable activities:					
Bikes		2,448	-	2,448	5,071
Tools, parts and accessories		13,268	2,872	16,140	13,291
Wages and salaries	2	41,095	-	41,095	26,786
Director's remuneration		6,356	-	6,356	3,240
Training and accommodation		435	-	435	248
Rent and rates		3,784	-	3,784	2,488
Light, heat and power		607	-	607	76
Insurance		1,803	-	1,803	1,404
Repairs and renewals		748	-	748	207
Telephone and fax		1,947	-	1,947	485
Postage and stationery		977	-	977	419
Sundry expenses		1,198	-	1,198	445
Motor expenses		1,056	-	1,056	1,427
Advertising		695	-	695	1,158
Subscriptions		-	-	-	52
Depreciation		1,317	-	1,317	1,237
Governance costs:					
Independent examiner's fees		720	-	720	720
Bookkeeping		120	-	120	120
Total resources expended		78,574	2,872	81,446	58,874
Net (outgoing)/ incoming resources/ Net (expenditure)/ income		(4,271)	78	(4,193)	17,496
Fund balances at 1 March 2013		17,496	-	17,496	-
Fund balances at 28 February 2014		13,225	78	13,303	17,496

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

The statement of financial activities incorporates the income and expenditure account.

On Your Bike (Recycle) Ltd – Company Registration Number: 07743521**Balance sheet****As at 28 February 2014**

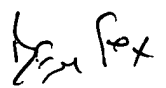
	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	4	2,143	2,927
Current assets			
Stock		1,000	3,000
Debtors	5	516	597
Cash at bank and in hand		13,093	12,600
		<u>14,609</u>	<u>16,197</u>
Creditors			
Amounts falling due within one year	6	(3,449)	(1,628)
		<u>11,160</u>	<u>14,569</u>
Net current assets			
		<u>11,160</u>	<u>14,569</u>
Net assets		<u>13,303</u>	<u>17,496</u>
Funds			
Unrestricted funds		13,225	17,496
Restricted funds		78	-
		<u>13,303</u>	<u>17,496</u>

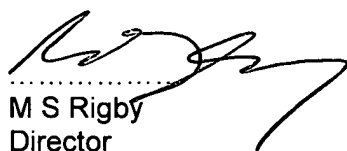
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008).

For the year ending 28 February 2014 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board for issue on 4.11.14 and signed on its behalf by:


.....
B J Fox
Director


.....
M S Rigby
Director

1 Accounting policies

1.1 Basis of accounting

The Financial Statements have been prepared on the historical cost basis and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (revised 2008), the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

1.2 Incoming resources

Incoming resources represents the total amount received by the company, from grants and other fundraising activities. Where funds are received in advance, for a specified period, these funds are deferred and recognised in the period to which they relate.

1.3 Resources expended

Resources expended are accounted for on the accruals basis. Liabilities are recognised in the accounting period to which they relate.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Support costs are shown under the costs in furtherance of the charitable activities.

1.4 Grants

Revenue grants are accounted for when unconditionally due to the company.

1.5 Fixed assets

Depreciation is calculated to write off the cost or valuation of fixed assets over their estimated useful lives at the following rate:-

Plant and machinery	– 15% straight line
Motor vehicles	– 25% straight line

Fixed assets are valued at cost less depreciation. No assets costing under £100 are capitalised.

1.6 Taxation

The company is a registered charity and is therefore not liable to corporation tax.

1.7 Fund accounting

General funds are unrestricted funds receivable or generated for the objects of the company without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the directors for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criterion is charged to the fund, together with a fair allocation of management and support costs.

On Your Bike (Recycle) Ltd
Notes to the Financial Statements
For the Year Ended 28 February 2014

2	Wages and salaries	Unrestricted Funds £	Restricted Funds £	2014 £	2013 £
	Wages and salaries	39,563	-	39,563	25,886
	Social security costs	7,888	-	7,888	900
		<u>47,451</u>	<u>-</u>	<u>47,451</u>	<u>26,786</u>

No individual employee was paid over £60,000.

The average number of employees for the year was as follows:	2014	2013
Number of staff	<u>5</u>	<u>3</u>

On Your Bike (Recycle) Ltd does not currently operate a pension scheme. On Your Bike (Recycle) Ltd can facilitate the access for employees to a designated stakeholder pension scheme.

3	Net incoming resources before transfers	2014 £	2013 £
	This is stated after charging:		
	Depreciation	1,317	1,237
	Director's remuneration	6,356	3,240
	Accountants' remuneration - independent examination	<u>720</u>	<u>720</u>

4	Tangible assets	Plant & machinery £	Motor vehicles £	Total £
	Cost			
	As at 01.03.13	2,745	3,300	6,045
	Additions	<u>533</u>	<u>-</u>	<u>533</u>
	As at 28.02.14	<u>3,278</u>	<u>3,300</u>	<u>6,578</u>
	Depreciation			
	As at 01.03.13	1,138	1,980	3,118
	Charge for Year	<u>492</u>	<u>825</u>	<u>1,317</u>
	As at 28.02.14	<u>1,630</u>	<u>2,805</u>	<u>4,435</u>
	Net book value			
	As at 28.02.14	<u>1,648</u>	<u>495</u>	<u>2,143</u>
	As at 29.02.13	<u>1,607</u>	<u>1,320</u>	<u>2,927</u>

On Your Bike (Recycle) Ltd
Notes to the Financial Statements
For the Year Ended 28 February 2014

5 Debtors	2014	2013
Prepayments and accrued income	516	597
	<u>516</u>	<u>597</u>

6 Creditors: amounts falling due within one year	2014 £	2013 £
Trade creditors	1,822	-
Accruals	1,038	720
PAYE & NI liability	589	908
	<u>3,449</u>	<u>1,628</u>

7 Related party transactions

Up until 29 February 2012, B J Fox, one of the trustees, carried on the activities now undertaken by the charity in his own name. On 1 March 2012, the activities were transferred to the charity for no consideration and stock and fixed assets with a book value of £9,164 were donated to the charity.

Remuneration of £6,356 (2013 - £3,240) was paid to B J Fox during the year, as permitted by the charity's memorandum and articles of association.

No trustees received reimbursement for expenses during the year.

8 Company limited by guarantee

The company was incorporated as a company limited by guarantee and has no share capital. The guarantee to the company is £10 per member on the winding up of the company. At 28 February 2014 the company had six members and the total amount guaranteed is therefore £60.