On Your Bike (Recycle) Ltd

(A Charitable Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 28 February 2015

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

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On Your Bike (Recycle) Ltd
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Trustees and Directors	R K Habgood (Chairman) M C Blackwell L A Workman D L Hagan S J Walker
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

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 2015.

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 and since the year end:

M C Blackwell	
B J Fox	(resigned 27 November 2015)
J Hall	(resigned 16 March 2015)
R K Habgood	(appointed 16 March 2015)
D L Hagan	(appointed 15 May 2015)
M S Rigby	(resigned 16 March 2015)
P F Vacani	(resigned 16 March 2015)
S J Walker	
L A Workman	(appointed 16 March 2015)

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. In the recent past the trustees delegated the management and operation of the company to the chief executive, B J Fox. However during the financial year under review, responsibility for the management and operation of the company has been entrusted to L Workman.

On Your Bike – 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 & 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 tons 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.

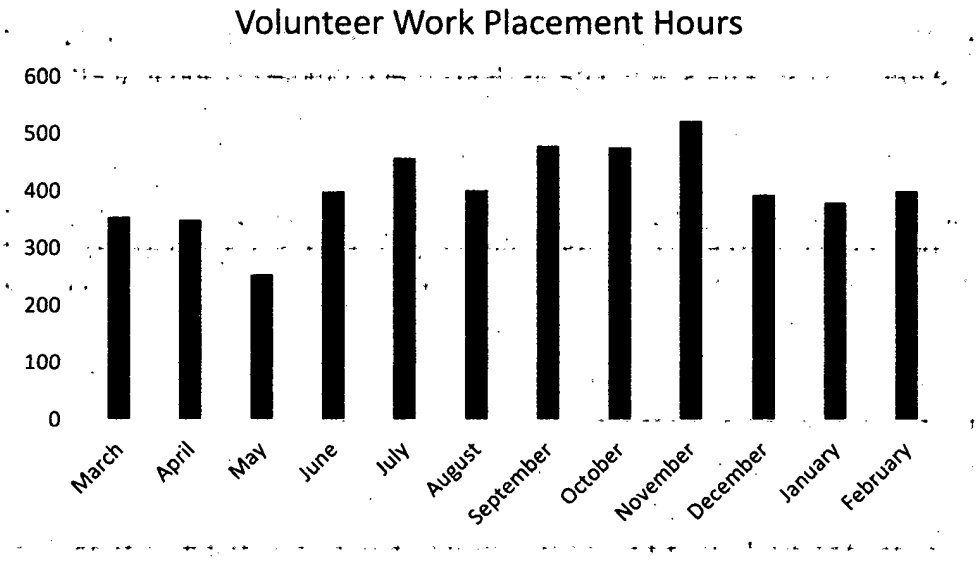
At the completion of any training or course, a certificate of competence is issued to the trainee. The charitable projects of On Your Bike include:

- 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

This year On Your Bike has

- offered work placements to over forty potential volunteers, with regular attendance from thirty eight volunteers: thirty one men and seven women. This equates to nearly 5000 hours invested in support and training for those volunteers and beneficiaries.



- trained three volunteer mechanics and one staff mechanic to pass their Cytech I and II level National Qualification in Bicycle maintenance
- increased our marketing to the public about donations of unwanted bikes and have seen an improvement in the quality of bikes brought to our door, over 500 bikes have been received in this way. We have continued our partnership with Viridor and collect bikes from the waste recycling centre at Poole, Wellington.
- serviced and repaired hundreds of low-cost bikes that are regarded as 'beyond economic repair' thus redirecting them back into usefulness, and selling them at low cost to local people.
- provided corporate Dr Bike check and repair services to the Met Office in Exeter and Richard Huish College in Taunton.
- grown our partnerships and referring agencies networking to include Taunton Community Partnerships, Aspire, Dimensions, Engage, Eplus, Foundation House, The Job Centre, Poppy Factory, Shaw Trust, St Loye's Foundation, Taunton Association for the Homeless, Somerset You Can Do, FGW, the Police, Taunton Community Women's Forum, and more.
- continued to attract sales online through our eBay shop.

Financial review

The 2015 accounts show net outgoing resources of £7,321 (2014 – net outgoing resources of £4,193). This is as a result of increased trading activities generating increased costs. This has left the charity with negative unrestricted funds as at 28 February 2015, which the Trustees have worked post year end to address.

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 £(7,615) at 28 February 2015.

Future plans

As a result of the financial situation at the end of the year, the Trustees undertook the development of a strategy to:

- Become financially sustainable through improving reporting, developing a fundraising strategy and raising alternative sources of income.
- Become a fit for purpose organisation by improving governance, welfare and demonstrating commitment to ethical and environmental values.
- Raise stakeholder awareness of activities by producing a PR strategy, maximising social media and developing the website.
- Provide high quality work placements by identifying professional development opportunities for staff, developing an in-house accreditation scheme and developing transferable skills for staff.

The charity has been successful in generating significant core funds since the year end to maintain activities for the coming year.

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 27.11.15

.....
L Workman
Trustee

R HARGOOD
TRUSTEE

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 2015, 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.

Emphasis of matter

Without qualifying my statement above, I draw attention to note 1.2 relating to the adoption of the going concern basis as set out in the accounting policies on page 12.

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

Dated: 27 November 2015

On Your Bike (Recycle) Ltd
Statement of Financial Activities (including the Income & Expenditure account)
For the Year Ended 28 February 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Incoming resources					
Incoming resources from generated funds:					
Donations		4,251	-	4,251	31,624
Grants	2	-	20,275	20,275	-
Incoming resources from charitable activities:					
Sale of bikes and accessories		63,700	-	63,700	45,629
Total incoming resources		**67,951**	**20,275**	**88,226**	**77,253**
Resources expended					
Charitable activities:					
Bikes		4,931	-	4,931	2,448
Tools, parts and accessories		10,752	3,226	13,978	16,140
Wages and salaries	3	49,887	3,336	53,223	41,095
Director's remuneration		1,920	-	1,920	6,356
Training and accommodation		2,503	-	2,503	435
Rent and rates		3,580	1,488	5,068	3,784
Light, heat and power		1,098	456	1,554	607
Insurance		1,948	-	1,948	1,803
Repairs and renewals		1,244	-	1,244	748
Telephone and fax		1,082	-	1,082	1,947
Postage and stationery		726	-	726	977
Sundry expenses		2,337	-	2,337	1,198
Motor expenses		1,804	-	1,804	1,056
Advertising		106	379	485	695
Professional fees		237	-	237	-
Depreciation		1,002	-	1,002	1,317
Governance costs:					
Independent examiner's fees		720	-	720	720
Bookkeeping & accountancy		785	-	785	120
Total resources expended		**86,662**	**8,885**	**95,547**	**81,446**
Net (outgoing)/ incoming resources/ Net (expenditure)/ income		(18,711)	11,390	(7,321)	(4,193)
Transfers		(2,129)	2,129	-	-
Net movement in funds		**(20,840)**	**13,519**	**(7,321)**	**(4,193)**
Fund balances at 1 March 2014		13,225	78	13,303	17,496
Fund balances at 28 February 2015		**(7,615)**	**13,597**	**5,982**	**13,303**

On Your Bike (Recycle) Ltd – **Company Registration Number: 07743521**
Balance sheet
As at 28 February 2015

	Notes		2015 £		2014 £
Fixed assets					
Tangible assets	5		1,449		2,143
Current assets					
Stock		5,275		1,000	
Debtors	6	1,794		516	
Cash at bank and in hand		1,869		13,093	
		8,938		14,609	
Creditors					
Amounts falling due within one year	7	(4,405)		(3,449)	
Net current assets			4,533		11,160
Net assets			**5,982**		**13,303**
Funds					
Unrestricted funds	8		(7,615)		13,225
Restricted funds	8		13,597		78
			5,982		**13,303**

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 2015 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 27/11/15. and signed on its behalf by:

L Workman
Trustee

R K Habgood
Trustee

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 Going concern

In the years to 28 February 2015 and 2014, the charity has recorded a deficit. As at 28 February 2015, this leaves the charity with a deficit on unrestricted funds of £7,615. The Trustees recognise that this is a temporary position, and in order for the charity to continue, it must return to a surplus position. Steps have been taken to enable this as detailed in the future plans section of the Trustees Report, which includes sufficient unrestricted receipts since the year end to return the unrestricted funds to a positive position. Therefore the financial statements have been prepared on a going concern basis as the trustees are of the opinion that future funding will be secured to cover anticipated expenditure.

1.3 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.

There has been a reallocation in the comparative figures between sales and donations, which has had no overall effect on incoming resources.

1.4 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.

1.5 Grants

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

1.6 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.

1.7 Taxation

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

1.8 **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.

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.

2 **Grants received**	Unrestricted Funds £	Restricted Funds £	2015 £	2014 £
Big Lottery Fund	-	9,100	9,100	-
People's Health Trust	-	11,175	11,175	-
	-	20,275	20,275	-

3 **Wages and salaries**	Unrestricted Funds £	Restricted Funds £	2015 £	2014 £
Wages and salaries	43,278	3,336	46,614	39,563
Social security costs	6,609	-	6,609	7,888
	49,887	3,336	53,223	47,451

No individual employee was paid over £60,000.

The average number of employees for the year was as follows:	2015	2014
Number of staff	5	5

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.

4 **Net incoming resources before transfers**	2015 £	2014 £
This is stated after charging:		
Depreciation	1,002	1,317
Director's remuneration	1,920	6,356
Accountants' remuneration - independent examination	720	720

5 Tangible assets

	Plant & machinery	Motor vehicles	Total
Cost	£	£	£
As at 01.03.14	3,278	3,300	6,578
Additions	308	-	308
As at 28.02.15	3,586	3,300	6,886
Depreciation			
As at 01.03.14	1,630	2,805	4,435
Charge for Year	507	495	1,002
As at 28.02.15	2,137	3,300	5,437
Net book value			
As at 28.02.15	1,449	-	1,449
As at 29.02.14	1,648	495	2,143

6 Debtors

	2015	2014
	£	£
Other debtors	240	-
Prepayments and accrued income	1,554	516
	1,794	516

7 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	2,395	1,822
Accruals	1,457	1,038
PAYE & NI liability	553	589
	4,405	3,449

8 Statement of funds

	Balance 01.03.14 £	Income £	Expenditure £	Transfers £	Balance 28.02.15 £
Restricted funds					
Persula Foundation	78	-	-	(78)	-
Big Lottery	-	9,100	(1,361)	-	7,739
People's Health Trust	-	11,175	(5,316)	-	5,859
Somerset Community Foundation	-	-	(2,208)	2,208	-
Total restricted funds	78	20,275	(8,885)	2,129	13,597
Unrestricted funds					
General	13,225	67,951	(86,252)	(2,129)	(7,205)
Total funds	13,303	88,226	(95,137)	-	6,392

- The Persula Foundation was funding provided for workbenches, which have been purchased and capitalised during the year. A transfer has therefore been made out of restricted funds in line with paragraph 117 of the SORP 2005 (revised 2008).
- Big Lottery Funding was received through their Awards for All Programme, to increase training capacity, improve workshop facilities and help engage stakeholders.
- People's Health Trust was received for Active Communities Funding Programme, to enable low-cost bikes and direct them into usefulness.
- Somerset Community Foundation fund was received in the prior year, but not noted as being restricted at this time. It was received for purchasing workstations and tools, and has been fully spent in the year.

9 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Tangible assets	1,449	-	1,449	2,143
Net current assets	(9,064)	13,597	4,533	11,160
	(7,615)	13,597	5,982	13,303

10 Related party transactions

Remuneration of £1,920 (2014 - £6,356) was paid to B J Fox during the year, as permitted by the charity's memorandum and articles of association. B J Fox owes the charity £240 (2014 - £nil) at the year end.
Remuneration of £14,170 (2014 - £nil) was paid to L Workman during the year for her work as general manager, as permitted by the charity's memorandum and articles of association.

11 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 2015 the company had six members and the total amount guaranteed is therefore £60.