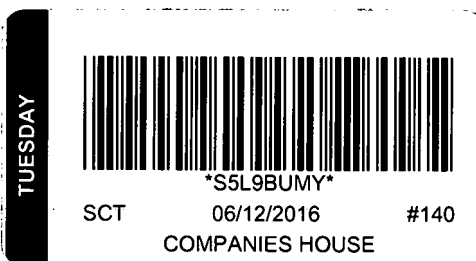


REGISTERED COMPANY NUMBER: SC511792 (Scotland)
REGISTERED CHARITY NUMBER: SC046036

**Report of the Trustees and
Financial Statements for the Period 8 October 2015 to 31 July 2016
for
Just Cycle Ltd**



Gall Robertson CA
Tweedside Park
Tweedbank
Galashiels
Selkirkshire
TD1 3TE

Just Cycle Ltd

**Contents of the Financial Statements
for the Period 8 October 2015 to 31 July 2016**

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Just Cycle Ltd

Report of the Trustees for the Period 8 October 2015 to 31 July 2016

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 8 October 2015 to 31 July 2016. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

INCORPORATION

The charitable company was incorporated on 8 October 2015 and commenced trading on 11 January 2016.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC511792 (Scotland)

Registered Charity number
SC046036

Registered office

1 Orchard Park
St Boswells
Melrose
Roxburghshire
TD6 0DA

Trustees

Mrs L A Marshall
Mrs E Findlay
P J Douglas
G M Martin
Miss A K Cameron

- resigned 12.7.16

- appointed 25.7.16

Company Secretary

Independent examiner

Karen Currie (ICAS)
Chartered Accountant
Gall Robertson CA
Tweedside Park
Tweedbank
Galashiels
Selkirkshire
TD1 3TE

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its Memorandum and Articles and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

We have looked for people with experience serving on other Boards, finance expertise, business acumen, previous involvement with Charities. This in addition to experience of bikes and organisations involving cycles and /or recycling. In June 16 we advertised widely involving third sector partners to try to recruit new Trustees and we had a very positive response. We have a form to complete which enables the applicant to demonstrate their experience and identify the areas where they feel their strengths lie.

**Report of the Trustees
for the Period 8 October 2015 to 31 July 2016**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Charity was first registered in October 2015 and at that time had four Trustees. We have recently had one change in personnel but still have four Trustees. We have a wider supporting group that has been meeting regularly since June 2014 at approximately two month intervals. The expertise/background in the wider group ranges across organisations such as NHS, Zero Waste Scotland, Outdoor Education at SBC, Ability Borders.

All meetings have agendas, are minuted and the minutes discussed at subsequent meetings. We have received regular support from Scottish Enterprise staff, Business Gateway staff at SBC and from social Enterprise Chamber staff. In addition one of the Trustees attended Just Enterprise and Business Gateway training sessions on Business Planning, Leadership and finance planning.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

We seek advice from other organisations - we are involved in the recently set up Scotland wide bike Re-use Network - and we network with third sector organisations represented at the business group meetings facilitated by Scottish Enterprise Chamber in St Boswells.

We have also had support from Business Banking staff in the past year since they have been looking at ways Banking can help businesses to work with local charities and community organisations.

Early on in registering as a Company Limited by Guarantee, we identified the following risks:-

Undervaluing bikes

Poor pricing structure

Missing opportunities for partnership working

Poor decision making

Lack of financial control by Board

We address these by trying to monitor regularly our spending and income, having a sensible pricing structure which balances the need to generate reasonable income with the need to obtain a regular throughput of bikes each month. We agree priorities for action at each meeting and we are clear about how to deal with the new opportunities which arise for us at regular intervals - each month at the moment. We are always networking to promote what we are doing and we continue to revisit our key priorities and defined Business Plan that was worked up during our first year.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our charitable purposes are :

- the advancement of education
- the provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended
- the promotion of equality and diversity
- the advancement of environmental protection or improvement

The company's charitable objects are:

- to advance education by: providing opportunities to support and train individuals in both bike maintenance and bike and road safety by linking with local educational establishments and the police. We will also endeavour to offer opportunities for modern apprenticeships linking with Skills Development Scotland. Supporting cycling proficiency of people of all ages to encourage more people to take up safe cycling across the region.
- The provision and organisation of recreational facilities and activities by: providing and making recycled bikes available to tourists visiting the Borders at key strategic points i.e. local train station. Promoting fund raising activities around cycling which will help with the operational and sustainability costs of the organisation. Supporting the provision of further safe cycle paths in the Borders to encourage people of all ages to cycle to work and for pleasure.
- to reduce inequalities and encourage strong intergenerational relationships locally by: Involving all sectors of the community in the recycling work and encouraging cycling across all sectors including socially disadvantaged or isolated people.
- to advance environmental protection or improvement by: recovering bicycles from the waste stream, reducing the waste sent to landfill and by doing this raise awareness of reuse and recycling locally. We will link with local groups to get them involved with this agenda to encourage them to reuse and recycle.

Just Cycle Ltd

Report of the Trustees for the Period 8 October 2015 to 31 July 2016

OBJECTIVES AND ACTIVITIES

Significant activities

In our first year of operation we have been successful in reducing the number of bikes going into containers at Recycling Centres. We have linked in with Police Scotland to use unclaimed bikes and we have obtained bikes from direct donation that were not being used. We have developed opportunities for skills development, including setting up a link with Criminal Justice at SBC to see people on unpaid work orders developing skills working on bike re-use.

We have encouraged people to take up cycling by selling bikes at affordable prices and we have been supporting people to learn how to maintain their own bikes.

We have attended local events to promote cycling and we have been looking at developing partnerships with local organisations to help to achieve our objectives around promoting greater equality and diversity and improved opportunities for recreation.

We have volunteers attending the unit each week and we have potential partners to work on projects for mutual benefit and these will likely support further volunteer involvement.

FINANCIAL REVIEW

In getting started, we have taken advantage of the fact that we have three main charitable objectives - recreational, environmental and educational. This means we are able to look at different funding streams to support each of these different objectives.

Initial start-up funding was obtained from Awards for All (£9 900) and from Cycling Scotland (£4 700). Funds were available for overheads and for tools in the first year. The balance unspent at 31 July 2016 was £3,275 in total.

Planning ahead to ensure income and expenditure is controlled has been agreed as crucial and we are attempting to keep our costs down so that in future we do not have to rely upon grant funding for core activities.

FUTURE DEVELOPMENTS

The organisation wishes to develop its potential for achieving greater income from the sale of bikes but we recognise that this means devoting more time to promotion and marketing. We hope that additional Trustee(s) will help this to happen. Another option is to obtain funding to promote the environmental/recycling aspect of the business and be able to employ a co-ordinator to head up the charity.

We currently have a number of funding applications pending as we recognise that we need a reasonable sum held as reserves. We are not holding sufficient at present.

The outcome of existing funding applications will help to determine how well we will meet our priorities in the next financial year. We already know that we are able to re-use bikes that would otherwise have been unused or sent to landfill or metal containers. We know that people can be encouraged to take up cycling if they have support and can obtain a bike at a reasonable cost. Our challenge is to communicate our belief in, and passion for, bike re-use to the people of the Scottish Borders.

Aims for next year

Obtain bikes from additional SBC recycling Centres

Increase opening times of workshop

Further develop skills of volunteers

Obtain funding to run outreach projects in two Border towns

Promote bikes sales using events, local radio and social media

Approved by order of the board of trustees on 31/10/16 and signed on its behalf by:



Mrs L A Marshall - Trustee

**Independent Examiner's Report to the Trustees of
Just Cycle Ltd**

I report on the accounts for the period 8 October 2015 to 31 July 2016 set out on pages five to nine.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

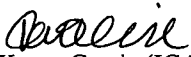
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

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


Karen Currie (ICAS)
Chartered Accountant
Gall Robertson CA
Tweedside Park
Tweedbank
Galashiels
Selkirkshire
TD1 3TE

Date: 3/10/2016

Just Cycle Ltd

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Period 8 October 2015 to 31 July 2016**

	Notes	Unrestricted funds £
INCOMING RESOURCES		
Incoming resources from generated funds		
Voluntary income		14,600
Activities for generating funds	2	<u>1,619</u>
Total incoming resources		16,219
 RESOURCES EXPENDED		
Costs of generating funds		
Costs of generating voluntary income		12,594
Fundraising trading: cost of goods sold and other costs		25
Governance costs		<u>350</u>
Total resources expended		12,969
 NET INCOMING RESOURCES		<u>3,250</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>3,250</u></u>

The notes form part of these financial statements

Just Cycle Ltd

**Balance Sheet
At 31 July 2016**

	Notes	£	Unrestricted funds £
FIXED ASSETS			
Tangible assets	5		4,557
CURRENT ASSETS			
Stocks			555
Cash at bank and in hand			<u>2,935</u>
			3,490
CREDITORS			
Amounts falling due within one year	6		(4,797)
			<u> </u>
NET CURRENT ASSETS/(LIABILITIES)			<u>(1,307)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,250</u>
NET ASSETS			<u><u>3,250</u></u>
FUNDS	7		
Unrestricted funds			<u>3,250</u>
TOTAL FUNDS			<u><u>3,250</u></u>

The notes form part of these financial statements

Just Cycle Ltd

**Balance Sheet - continued
At 31 July 2016**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 July 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the period ended 31 July 2016 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 31/07/16 and were signed on its behalf by:



Mrs L A Marshall -Trustee



Miss A K Cameron -Trustee

Just Cycle Ltd

Notes to the Financial Statements for the Period 8 October 2015 to 31 July 2016

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc	- 25% on reducing balance
-------------------------	---------------------------

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £
Shop income	<u>1,619</u>

3. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	£
Depreciation - owned assets	<u>537</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 July 2016.

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 July 2016.

Just Cycle Ltd

**Notes to the Financial Statements - continued
for the Period 8 October 2015 to 31 July 2016**

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
Additions	<u>5,094</u>
 DEPRECIATION	
At 8 October 2015	<u>537</u>
 NET BOOK VALUE	
At 31 July 2016	<u><u>4,557</u></u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Other creditors	<u><u>4,797</u></u>

Other creditors include deferred income in respect of grants received which are being written off to the profit and loss account at the same rate as the depreciation on the assets they relate to. The balance in relation to deferred grants at 31 July 2016 was £4,448.

7. MOVEMENT IN FUNDS

	Net movement in funds £	At 31.7.16 £
Unrestricted funds		
General fund	(25)	(25)
Awards for All	2,231	2,231
Cycling Scotland	<u>1,044</u>	<u>1,044</u>
	3,250	3,250
	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>3,250</u></u>	<u><u>3,250</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,619	(1,644)	(25)
Awards for All	9,899	(7,668)	2,231
Cycling Scotland	<u>4,701</u>	<u>(3,657)</u>	<u>1,044</u>
	16,219	(12,969)	3,250
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>16,219</u></u>	<u><u>(12,969)</u></u>	<u><u>3,250</u></u>

Just Cycle Ltd

**Detailed Statement of Financial Activities
for the Period 8 October 2015 to 31 July 2016**

	Unrestricted funds £
INCOMING RESOURCES	
Voluntary income	
Grants	14,600
Activities for generating funds	
Shop income	<u>1,619</u>
Total incoming resources	16,219
RESOURCES EXPENDED	
Costs of generating voluntary income	
Rent, rates and water	2,158
Insurance	484
Light and heat	23
Telephone	274
Postage and stationery	124
Grant used to buy fixed assets	4,974
Materials	4,105
Property repairs	378
Protective clothing	156
Stock adjustment	(92)
Plant and machinery	<u>10</u>
	12,594
Fundraising trading: cost of goods sold and other costs	
Purchases	488
Closing stock	<u>(463)</u>
	25
Governance costs	
Accountancy	<u>350</u>
Total resources expended	12,969
Net income	<u><u>3,250</u></u>