REGISTERED COMPANY NUMBER: SC511792 (Scotland)
REGISTERED CHARITY NUMBER: 046036

Report of the Trustees and Financial Statements for the Year Ended 31 July 2018 for Just Cycle Ltd



Gall Robertson CA
Tweedside Park
Tweedbank
Galashiels
Selkirkshire
TD1 3TE

Just Cycle Ltd

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for the Year Ended 31 July 2018

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Report of the Trustees
for the Year Ended 31 July 2018

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 year ended 31 July 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

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.

Significant activities

During the period 1st August 2017 to 31st July 2018, we continued to reduce the number of bikes going into containers at Recycling Centres and we are now receiving bikes from five Borders' Centres. We also receive increasing numbers of bikes directly donated to us-many of which are gift aided donations.

We have been able to send another volunteer on mechanics training and we continue to work with Criminal Justice at SBC to see people on unpaid work orders developing skills working on bike re-use. We have a Facebook page and website and have an entry on the Visit Scotland Website.

We were involved in the Borders HW University Fresher's Fayre in September 2017 and in March this year a fun cycling day at Langlee Primary School. We also donated 20 bikes to the school for pupils ages 6-10. We provided further refugee families in Gala with adult and children's bikes this year. We continue to partner Coldstream men's shed and we are about to set up an arrangement to work in partnership with Eyemouth men's shed too.

In December 2017 we applied for Smarter Choices Smarter Places funding (through Transport Scotland) to allow us to employ staff. This has been matched by Scottish Community Landfill Tax money and represents £50,000 April 2018 to September 2019. The grant covers staffing, storage, training and promotion and travel costs and has to be reclaimed once spent.

We now have a co-ordinator and finance assistant in post until summer 2019 with a possibility of extension if further funding is forthcoming.

FINANCIAL REVIEW

Reserves policy

The trustees do not consider the holding of reserves necessary at this time due to the new and growing nature of the charity.

FINANCIAL REVIEW

Going concern

The trustees know of no material uncertainties relating to the charity's ability to continue as a going concern.

Income from bike sales has increased and this year has covered our rental, heat and phone/broadband costs. There is pressure upon space and so we are currently looking to find additional premises to accommodate large numbers of bikes arriving each week. We are also looking at ways to increase turnover.

In addition to the grant of £2,500 from The Foyle Foundation to support running costs in 2017/2018, we received an express grant of £2,000 from Foundation Scotland in May to help with overheads. The SCSP and Landfill tax funding will help with additional storage costs this year and into next.

FUTURE PLANS

The organisation wishes to develop its potential for achieving greater income from the sale of bikes and we recognise that this means devoting more time to promotion and marketing.
Being able to employ a co-ordinator to oversee the development of the organisation has been of huge help. The ongoing funding of Just Cycle is dependent upon our being able to demonstrate that we are having an impact upon uptake of cycling and effecting a reduction in short car journeys.
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.

Aims for next year

- Obtain bikes from additional SBC recycling Centres
- Increase opening times of workshop/increase workshop space
- Further develop skills of volunteers
- Promote bikes sales using events, local radio and social media

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 were pleased to welcome one of our volunteers Grant Humble on the Board of Trustees in March 2018.
We are still looking for people with previous experience serving on other Boards, ideally with finance expertise, business acumen and with previous involvement with Charities. This is in addition to experience of organisations involving cycles and /or recycling.

We have one potential vacancy on the Board of Trustees and really need someone with a finance background to become involved.

Organisational structure

The Charity was first registered in October 2015 and has five trustees. We have a wider supporting group regularly now in email contact. 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/agreed at subsequent meetings. We have received regular support from Business Gateway staff at SBC and from social Enterprise Chamber staff.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 - can link with other bike Re-use organisations - and we network with third sector organisations represented at the business group meetings facilitated by Scottish Enterprise Chamber in St Boswells. We also have ongoing support from Business Gateway staff.

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. We continue to use all opportunities to network in the Borders so that in addition to developing opportunities for partnership working, we can maximise potential for promoting our activities.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC511792 (Scotland)

Registered Charity number
046036

Registered office
1 Orchard Park
St Boswells
Melrose
Roxburghshire
TD6 0DA

Trustees

Mrs L A Marshall	Director	
Mrs E Findlay	Director	
G M Martin	Director	
Miss A K Cameron	Treasurer	
G Humble	Retired	- appointed 1.2.18

Independent examiner
Pamela Baillie (ICAS)
Chartered Accountant
Gall Robertson CA
Tweedside Park
Tweedbank
Galashiels
Selkirkshire
TD1 3TE

Approved by order of the board of trustees on 26/11/18 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 year ended 31 July 2018 set out on pages five to thirteen.

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.

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

Date: 26 · 11 · 18

Just Cycle Ltd

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 July 2018

	Notes	Unrestricted funds £	Restricted funds £	31.7.18 Total funds £	31.7.17 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		4,900	-	4,900	5,450
Charitable activities					
General activities		8,979	-	8,979	4,928
Total		13,879	-	13,879	10,378
EXPENDITURE ON					
Charitable activities					
General activities		10,877	1,150	12,027	9,781
NET INCOME/(EXPENDITURE)		3,002	(1,150)	1,852	597
RECONCILIATION OF FUNDS					
Total funds brought forward		6,925	1,370	8,295	7,698
TOTAL FUNDS CARRIED FORWARD		9,927	220	10,147	8,295

The notes form part of these financial statements

Just Cycle Ltd

Balance Sheet
At 31 July 2018

	Notes	Unrestricted funds £	Restricted funds £	31.7.18 Total funds £	31.7.17 Total funds £
FIXED ASSETS					
Tangible assets	7	2,590	-	2,590	3,435
CURRENT ASSETS					
Stocks	8	698	-	698	284
Cash at bank and in hand		7,383	220	7,603	4,936
		8,081	220	8,301	5,220
CREDITORS					
Amounts falling due within one year	9	(744)	-	(744)	(360)
NET CURRENT ASSETS		7,337	220	7,557	4,860
TOTAL ASSETS LESS CURRENT LIABILITIES		9,927	220	10,147	8,295
NET ASSETS		9,927	220	10,147	8,295
FUNDS	10				
Unrestricted funds				9,927	6,925
Restricted funds				220	1,370
TOTAL FUNDS				10,147	8,295

The notes form part of these financial statements

continued...

Balance Sheet - continued
At 31 July 2018

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2018 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 charitable small companies.

The financial statements were approved by the Board of Trustees on 26/11/18 and were signed on its behalf by:

Mrs L A Marshall -Trustee

Miss A K Cameron -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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 the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.
An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Impairment
A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

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.

1. ACCOUNTING POLICIES - continued

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.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods and services
Donated goods are received in the form of recycled and unwanted bikes. Bikes are held in stock at the lower of cost and net realisable value. As at the year end, 56 bikes were held in stock at nil cost.

The charity has received 725 donated bikes. Donated items are recognised at nil cost when received.

The charity has also benefited from volunteers throughout the year to run the store.

Provisions
Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

2. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.7.18	31.7.17
	£	£
Depreciation - owned assets	845	1,122

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2018 nor for the year ended 31 July 2017.

Trustees' expenses
There were no trustees' expenses paid for the year ended 31 July 2018 nor for the year ended 31 July 2017.

4. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.7.18	31.7.17
	2	-

No employees received emoluments in excess of £60,000.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,400	2,050	5,450
Charitable activities			
General activities	4,928	-	4,928
Total	8,328	2,050	10,378
EXPENDITURE ON			
Charitable activities			
General activities	9,101	680	9,781
Total	9,101	680	9,781
NET INCOME/(EXPENDITURE)	(773)	1,370	597
RECONCILIATION OF FUNDS			
Total funds brought forward	7,698	-	7,698
TOTAL FUNDS CARRIED FORWARD	6,925	1,370	8,295

6. INDEPENDENT EXAMINER FEES

The Charity paid Gall Robertson CA the sum of £402 during the year for independent examination, £36 for submission of a company tax return, and £60 for guidance on gift aid regulations. The charity payroll is outsourced to the same organisation and the fee for the period was £30.

7. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Totals
	£	£	£
COST			
At 1 August 2017 and 31 July 2018	3,439	1,655	5,094
DEPRECIATION			
At 1 August 2017	1,135	524	1,659
Charge for year	576	269	845
At 31 July 2018	1,711	793	2,504
NET BOOK VALUE			
At 31 July 2018	1,728	862	2,590
At 31 July 2017	2,304	1,131	3,435

8. STOCKS

	31.7.18	31.7.17
	£	£
Stocks	698	284

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.18	31.7.17
	£	£
Trade creditors	187	-
Social security and other taxes	188	-
Accrued expenses	369	360
	744	360

10. MOVEMENT IN FUNDS

	At 1.8.17	Net movement in funds	At 31.7.18
	£	£	£
Unrestricted funds			
General fund	3,261	4,137	7,398
Awards for All	1,818	(441)	1,377
Cycling Scotland	1,846	(694)	1,152
	6,925	3,002	9,927
Restricted funds			
The Robertson Trust	820	(600)	220
Foundation Scotland (Comic Relief)	550	(550)	-
	1,370	(1,150)	220
TOTAL FUNDS	8,295	1,852	10,147

10. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	13,879	(9,742)	4,137
Awards for All	-	(441)	(441)
Cycling Scotland	-	(694)	(694)
	13,879	(10,877)	3,002
Restricted funds			
The Robertson Trust	-	(600)	(600)
Foundation Scotland (Comic Relief)	-	(550)	(550)
	-	(1,150)	(1,150)
TOTAL FUNDS	13,879	(12,027)	1,852

Comparatives for movement in funds

	At 1.8.16 £	Net movement in funds £	At 31.7.17 £
Unrestricted Funds			
General fund	(25)	3,286	3,261
Awards for All	4,632	(2,814)	1,818
Cycling Scotland	3,091	(1,245)	1,846
	7,698	(773)	6,925
Restricted Funds			
The Robertson Trust	-	820	820
Foundation Scotland (Comic Relief)	-	550	550
	-	1,370	1,370
TOTAL FUNDS	7,698	597	8,295

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	8,328	(5,042)	3,286
Awards for All	1	(2,815)	(2,814)
Cycling Scotland	(1)	(1,244)	(1,245)
	8,328	(9,101)	(773)
Restricted funds			
The Robertson Trust	1,500	(680)	820
Foundation Scotland (Comic Relief)	550	-	550
	2,050	(680)	1,370
TOTAL FUNDS	10,378	(9,781)	597

11. OTHER FINANCIAL COMMITMENTS

The Charity renewed its financial commitment in regards to rented premises in January 2018 for 12 months. As at the balance sheet date, the total commitment outstanding totals £1855.

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2018.

13. PUBLIC BENEFIT ENTITY

The charity is a public benefit entity.

Just Cycle Ltd

Detailed Statement of Financial Activities
for the Year Ended 31 July 2018

	Unrestricted funds £	Restricted funds £	31.7.18 Total funds £	31.7.17 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	400	-	400	900
Grants	4,500	-	4,500	4,550
	4,900	-	4,900	5,450
Charitable activities				
Shop income	8,979	-	8,979	4,928
Total incoming resources	13,879	-	13,879	10,378
EXPENDITURE				
Charitable activities				
Wages	2,632	-	2,632	-
Pensions	9	-	9	-
Rent, rates and water	3,439	308	3,747	3,704
Insurance	1,106	100	1,206	517
Light and heat	1,442	-	1,442	1,261
Telephone	646	42	688	476
Advertising	95	-	95	20
Sundries	19	-	19	180
Materials	394	-	394	1,120
Training	-	600	600	680
Website costs	-	100	100	24
Property repairs	46	-	46	-
Cleaning	80	-	80	-
Opening stock	284	-	284	555
Closing stock	(698)	-	(698)	(284)
Plant and machinery	576	-	576	767
Fixtures and fittings	269	-	269	355
	10,339	1,150	11,489	9,375
Support costs				
Governance costs				
Accountancy and legal fees	508	-	508	406
Payroll	30	-	30	-
	538	-	538	406
Total resources expended	10,877	1,150	12,027	9,781
Net income	3,002	(1,150)	1,852	597