



WORLD BICYCLE RELIEF UK
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

Company Registration Number 07550335
Charity Number 1141613



World Bicycle Relief UK

Financial Statements

Year 31 December 2015



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World Bicycle Relief UK

Administrative Details

Year Ended 31 December 2015



Trustees: Jefferey D Bosken (appointed 14 June 2016)
Tchiyiwe T Chihana
Charles J Coustan (resigned 22 April 2016)
Lucy D Lynch
David H Neiswander (appointed 14 June 2016)

Registered Office: 1 St George's Road
Wimbledon
London
SW19 4DR

Company Number: 07550335

Charity Number: 1141613

Bankers: HSBC
172 Upper Richmond Road
Putney
London
SW15 2SH

World Bicycle Relief UK

Trustees' Annual Report

Year Ended 31 December 2015



The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of World Bicycle Relief UK ("WBR UK") for the year ended 31 December 2015.

Structure and Governance

The charity is a company limited by guarantee that is governed by its Memorandum and Articles of Association.

The trustees are recommended by the member by ordinary resolution and approved by current trustees.

Objectives, Activities, Public Benefit and Achievements

Purposes and Aims

WBR UK's purpose, as set out in the objects contained in the company's Memorandum of Association, is to:-

- relieve the needs of people living in impoverished or disaster stricken areas of the world by the provision of bicycles to enable them to access education, employment, healthcare and other essentials of life.

When considering the work being done by WBR UK we give consideration to the Charity Commission's guidance on public benefit.

Achievements in the year and Financial Review

In 2015 the organisation continued to secure funding from a number of sources and continued to build a broad base of support. Led by Stephen Cromwell, Development Director supported by trustees and volunteers at World Bicycle Relief the organisation grew the overall fundraising.

The majority of the £943,040 income received in 2015 was from a Major Donor whose gift was allocated to BEEP Kenya and Zimbabwe.

The friends asking friends fundraising channel grew considerably to £62,409 with a number of supporters creating their own challenges and raising funds through our online platform.

A number of events were attended to support fundraisers including the London to Brighton ride as well as a presence at a number of smaller events for major donors, community fundraisers and schools.

Unlike previous years we did not participate in the Trois Etapes event and therefore did not secure any funds as a direct result. However we continue to engage the riders from previous years.

We continued to receive support from corporate donors, adding a further £54,468 to our funds raised.

The *Palabana* Year End Appeal focused on a community in Zambia whose lives have been transformed by Buffalo Bicycles. This was supported with an email and direct mail campaign to encourage existing supporters to donate. This activity generated £4,000 directly from the mailing and a further £17,000 from donations during the appeal period.

We received £32,000 through the Bicycles Change Lives campaign in association with the MTN Qhubeka race Team. This funding relates to Qhubeka, our programme in South Africa.

A Gift Aid claim was made on individual gifts made offline as well as through the new fundraising platform which, combined with the automatic claim by VMG, resulted in £18,666 raised.

World Bicycle Relief UK

Trustees' Annual Report

Year Ended 31 December 2015



Achievements in the year and Financial Review *(continued)*

Our total fund raising of £943,040 amounted to an increase of 373% on the previous 12 month period. This enabled us to provide funds to our Bicycles for Education and Empowerment Programmes (BEEP), to South Africa, Kenya and Zambia.

The funding provided represented approximately 1000 bicycles (1500 bicycles last year) to be provided to rural Zambian South African and Kenyan students, who walk long distances to school as well as teachers and mechanics to support the programme. These bicycles which are distributed on a contract-to-own basis enable recipients to significantly reduce their commute times to school, transport more water and produce to market, and transport relatives to clinics for healthcare, greatly improving quality of life for some of the poorest people in Sub-Saharan Africa. The decrease in funds provided to the field was due to a significant proportion being carried over to 2016 in order to fund phases of programmes starting in Kenya and Zimbabwe.

Reserves Policy

The charity endeavours to keep a minimum of £30,000 in unrestricted reserves to cover payroll and ongoing administration expenses. At 31 December 2015 it had unrestricted reserves of £808,340, of which £735,113 were designated for specific projects (as explained in Note 9).

Risk Statement

The trustees have reviewed the major risks to which WBR UK is exposed and the following procedures have been established to manage these risks.

External risk of misappropriation of funds sent to the field and subsequent reputational damage is mitigated by regular contact with field staff and rigorous processes for fund distribution. Compliance and legal risks are minimised through use of pro bono legal assistance and regular monitoring of changes to legal framework. The loss of the sole employee without handover could pose a challenge but by sharing information with colleagues at the parent organisation WBR NFP, who would be able to assist should there be a departure, and use of common databases and shared documents this risk is significantly reduced.

Trustees

The trustees who served the charitable company during the period are detailed on page 1.

Trustees Responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial period. In doing so the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

World Bicycle Relief UK

Trustees' Annual Report

Year Ended 31 December 2015



The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small Company Charity Provisions

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS102) (effective 1 January 2016) and in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the trustees

Lucy D Lynch

World Bicycle Relief UK

Independent Examiner's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of World Bicycle Relief UK

Year Ended 31 December 2015

I report on the accounts of the company for the year ended 31 December 2015, which are set out on pages 6 to 12.

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 accounts. The charity's trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the ICAEW.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts 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 examiner's report

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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of 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 accounts 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
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (b) to prepare accounts 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 (FRS102) 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.

Christopher Lewis Hicks BA FCA DChA
FRANCIS CLARK LLP
Sigma House
Oak View Close
Edginswell Park
Torquay
TQ2 7FF

1 September 2016

World Bicycle Relief UK

Statement of Financial Activities (Incorporating Income and Expenditure Account)

Year Ended 31 December 2015



		Total Unrestricted Funds Year Ended 31 December 2015 £	Total Unrestricted Funds Year Ended 31 December 2014 £
	Notes		
Income from:			
Donations, grants and sponsorship	9	943,040	199,569
Bank interest receivable		-	1
Total		943,040	199,570
Expenditure on:			
Charitable activities	2	102,224	146,434
Raising funds	3	63,627	74,410
Total		165,851	220,844
Net income/(expenditure) and net movement in funds		777,189	(21,274)
Reconciliation of funds:			
Total funds brought forward		31,151	52,425
Total funds carried forward		808,340	31,151
Represented by:			
Current assets		825,554	43,493
Current Liabilities		(17,214)	(12,342)
Total		808,340	31,151

All of the above amounts relate to continuing activities.

The notes on pages 9 to 12 form part of these financial statements.

World Bicycle Relief UK

Balance Sheet

31 December 2015



		31 December 2015 £	31 December 2014 £
	Note		
Current assets			
Debtors	6	143,295	244
Cash at bank and in hand		682,259	43,249
		825,554	43,493
Liabilities:			
Creditors: Amounts falling due within one year	7	17,214	12,342
Net current assets		808,340	31,151
Total net assets		808,340	31,151
The funds of the charity:	9		
Unrestricted funds		73,227	31,151
Designated funds		735,113	-
		808,340	31,151

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the period by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved by the trustees on 10 August 2016 and are signed on their behalf by:

Lucy D Lynch
Trustee

Company Registration Number: 07550335

The notes on pages 9 to 12 form part of these financial statements.

World Bicycle Relief UK

Cash Flow Statement

31 December 2015



	31 December 2015 £	31 December 2014 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities (below)	639,010	(13,236)
Change in cash and cash equivalents in the year	639,010	(13,236)
Cash and cash equivalents at the beginning of the year	43,249	56,485
Cash and cash equivalents at the end of the year	682,259	43,249
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the year (as per the statement of financial activities)	777,189	(21,274)
(Increase)/decrease in debtors	(143,051)	4,638
Increase/(decrease) in creditors	4,872	3,400
Net cash provided by (used in) operating activities	639,010	(13,236)

The notes on pages 9 to 12 form part of these financial statements.



1. Accounting policies

(a) Basic of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with 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) – (Charities SORP(FRS102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

(b) Reconciliation with previously Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

(c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date.

Income from sponsored events is recognised according to the date that the event was held or, if later, the date that the funds were committed.

(d) Expenditure recognition

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 settlement will be required and the amount of the obligation can be measure reliably.

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT.

Expenditure has been allocated directly to charitable activities and costs of raising funds. Support costs, in the form of governance costs relating to the preparation of accounts and their independent examination, have been allocated in full to charitable activities.

(e) Fund Accounting

Designated funds – the Trustees have designated certain funds for particular purposes and these funds are explained further in Note 9. There is no legal force for the designation.

Unrestricted general funds - these are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

(f) Foreign Currency

Funds remitted to overseas operations are translated at the rate of exchange on the date of the transfer.

World Bicycle Relief UK

Notes to the Financial Statements

Year Ended 31 December 2015



(g) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

(h) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Costs of charitable activities

	Year Ended 31 December 2015 £	Year Ended 31 December 2014 £
Donations to BEEP – South Africa	28,000	15,828
Donations to BEEP – Kenya	70,216	26,000
Bicycles and components for BEEP – Zambia	-	100,574
Amounts payable to independent examiner:		
Independent examination	1,200	1,200
Accountancy fees	2,808	2,832
	<u>102,224</u>	<u>146,434</u>

BEEP = Bicycle for Education Empowerment Program

3. Raising funds

	Year Ended 31 December 2015 £	Year Ended 31 December 2014 £
Staff costs	42,310	42,433
Staffing and recruitment	2,911	65
Supplies	3,708	1,304
Printing	1,104	1,006
Staff travel	4,084	2,638
Insurance	727	-
Advertising	1,596	1,358
Bank charges	3,088	2,172
Writing and PR	-	16,578
Meeting and event management	62	3,720
Shipping	2,041	289
Registration and licence fees	1,440	1,872
Exchange gain or loss	102	749
Other fees	454	226
	<u>63,627</u>	<u>74,410</u>

World Bicycle Relief UK

Notes to the Financial Statements

Year Ended 31 December 2015



4. Staff costs/Key management personnel

	Year Ended 31 December 2015 £	Year Ended 31 December 2014 £
Gross salaries	40,000	40,000
Employers NI	2,310	2,433
	<u>42,310</u>	<u>42,433</u>
Number	<u>1</u>	<u>1</u>

5. Trustees

No trustees have received any remuneration or reimbursed expenses or received any other benefits.

6. Debtors

	Year Ended 31 December 2015 £	Year Ended 31 December 2014 £
Gift Aid	4,691	244
Balance due from parent company	138,604	-
	<u>143,295</u>	<u>244</u>

7. Creditors: Amounts falling due within one year

	Year Ended 31 December 2015 £	Year Ended 31 December 2014 £
Taxation and social security	4,087	4,086
Accruals	13,127	3,600
Balance due to parent company	-	4,656
	<u>17,214</u>	<u>12,342</u>

8. Company Limited by Guarantee

The company is limited by guarantee, having no share capital. It is incorporated in England and Wales.

The company has one member. In the event of the company being wound up the liability of the member is limited to £10.

World Bicycle Relief UK

Notes to the Financial Statements

Year Ended 31 December 2015



9. Funds

	Balance at 1 January 2015	Income	Expenditure	Balance at 31 December 2015
	£	£	£	£
General fund	31,151	178,927	(136,851)	73,227
Designated Funds				
BEEP Kenya and Zimbabwe	-	732,113	-	732,113
Bicycles Change Lives	-	32,000	(29,000)	3,000
	-	764,113	(29,000)	735,113
	31,151	943,040	(165,851)	808,340

BEEP Kenya and Zimbabwe

This represents a major gift from a private donor designated to fund 3,000 bicycles in Kenya and 2,000 bicycles in Zimbabwe in 2016 as well as a corporate gift of £25,000 designated to fund BEEP Kenya.

Bicycles Change Lives

This represents funds designated to the BEEP South Africa programme.

10. Parent Charity, Control and Related Party Transactions

The charity is a wholly owned subsidiary and is under the control of World Bicycle Relief, NFP, a charity registered in the state of Illinois, United States. Its registration number is 01049974. It has very similar principal purposes and activities to those of World Bicycle Relief UK. The parent charity has the power to appoint the majority of WBR UK's trustees. The consolidated accounts of the group can be obtained from <http://www.worldbicyclerelief.org/our-story/governance>

During the year the charity made payments for the BEEP of £28,000 (2014: £15,828) to World Bicycle Relief – Qhubeka, a non-profit organisation that is World Bicycle Relief NFP's philanthropic program in South Africa.

The charity also made payments for the BEEP of £70,216 (2014: £26,000) to World Bicycle Relief – Kenya, a branch of World Bicycle Relief, NFP.

Further details of the programme are contained in the Trustees' Report.

The total amount of donations paid to the charity during the year without conditions by charity trustees amount to £6,140.