



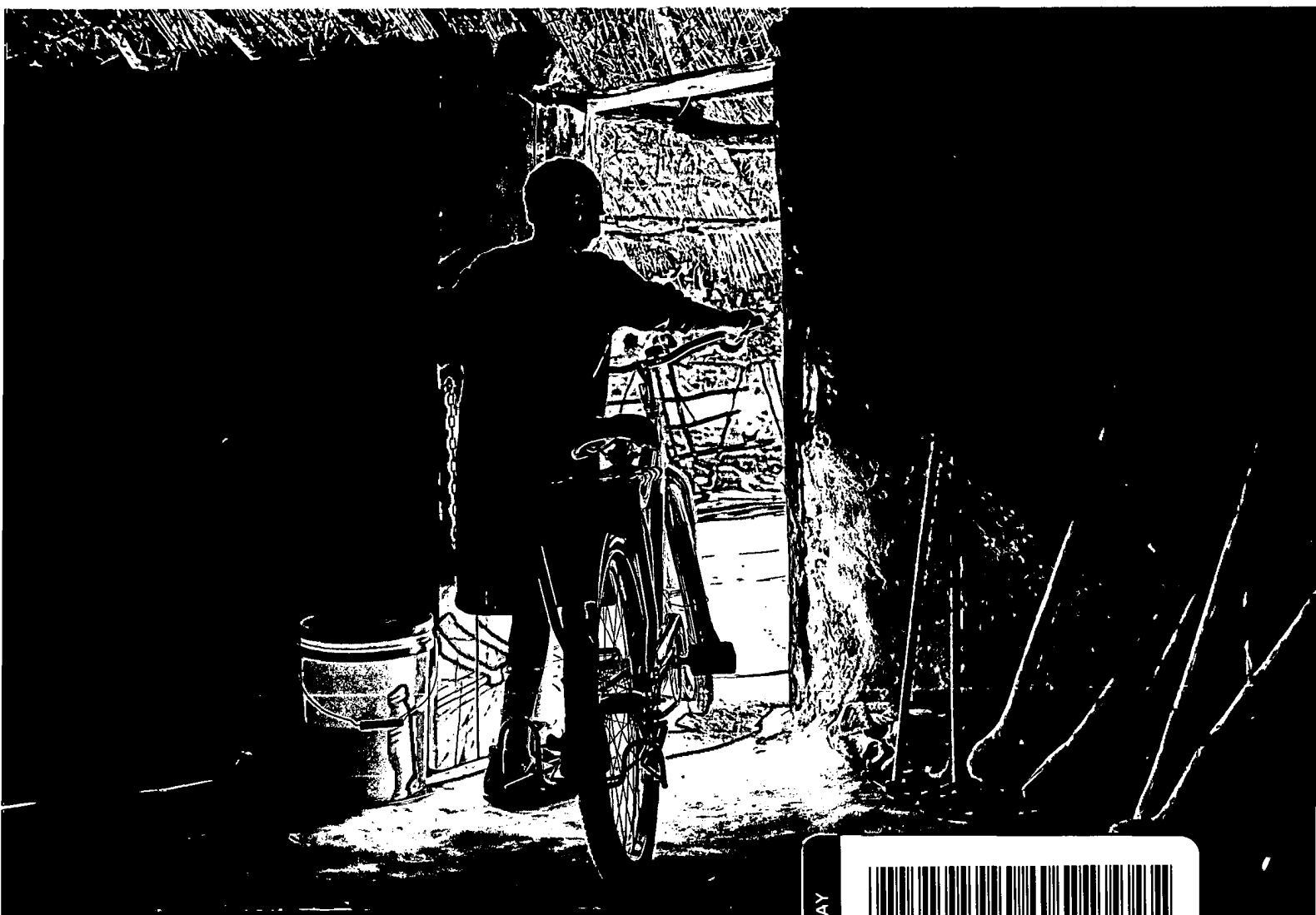
WORLD BICYCLE RELIEF UK

WORLD BICYCLE RELIEF UK  
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

Company Registration Number 07550335  
Charity Number 1141613



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# Trustees' Annual Report

Year Ended 31 December 2018

Financial Statements

Year 31 December 2018



## Contents

## Page

ADMINISTRATIVE DETAILS	3
TRUSTEES' ANNUAL REPORT	4
INDEPENDENT EXAMINER'S REPORT	7
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)	8
BALANCE SHEET	9
CASH FLOW STATEMENT	10
NOTES TO THE FINANCIAL STATEMENTS	11

## Trustees' Annual Report

Year Ended 31 December 2018



### Administrative Details

Year Ended 31 December 2018

**Trustees:** Jeffrey D Bosken  
Emily L Davis  
Lucy D Lynch  
David H Neiswander

**Registered Office:** 18 Lytton Grove  
London  
SW15 2HA

**Company Number:** 07550335

**Charity Number:** 1141613

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

## Trustees' Annual Report

Year Ended 31 December 2018



## Trustees' Annual Report

Year Ended 31 December 2018

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 2018.

### 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 the current trustees. There has been no change in the composition of the trustees in 2018.

## 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 2018, WBR UK raised funds from a broad range of sources to fund the vital work of creating sustainable impact through the power of bicycles and to consolidate the investment made in the UK organisation for WBR UK to significantly widen its fundraising capabilities. The increase in fundraising was satisfactory but it remains the aim to increase that further to enable a much greater percentage of funds raised be sent to WBR programmes to provide more bicycles in to sub-Saharan Africa.

### The World Bicycle Relief Model

WBR UK is part of World Bicycle Relief NFP which mobilises individuals and communities through charitable programmes and social enterprise.

Donations fund the provision of bicycles to children to enable them to get to school through BEEP (Bicycles for Educational Empowerment Programme). Students are selected by a local committee; a significant proportion of those chosen are girls. Results from this philanthropic programme have seen a dramatic increase in attendance and attainment.

The social enterprise arm (Buffalo Bicycles, owned by WBR NFP) sells bicycles to other NGOs and to individuals who require a robust transport solution but are not being served by product that is currently available to purchase locally. By selling bicycles to individuals with an income we avoid creating dependence, it increases the quality of our bicycles through customer feedback, creates a sustainable infrastructure of assembly facilities and spares distribution, does not disrupt the market and creates long term impact across whole communities. A study published in 2016 showed that dairy farmers in Zambia saw an average 23% increase in yields and income after purchasing Buffalo Bicycles.

The two parts of the organisation work together. The social enterprise creates scale and infrastructure that lowers the costs of BEEP, which in turn creates local demand for quality bicycles, increasing impact in the field.

### Field Impact Report

UK funds transferred to the field funded World Bicycle Relief's Bicycles for Educational Empowerment Programmes (BEEP). The goal of BEEP is to improve the quality of life for targeted children, households, and communities. We built new foundations by supporting our newest field programme in Malawi. By investing resources and engaging community members, BEEP is developing a sustainable ecosystem for the whole community.

### **BEEP – Malawi: £150, 616**

We sent funds to the BEEP programme in Malawi for the first time. In Malawi, 84% of the 17.6m population live in rural areas. 59% of the population are living below the poverty line. The school enrolment rate drops from 98% of girls in primary school to only 31% when they move up to secondary school. The BEEP reaches to 22 secondary schools with 2,400 Buffalo bicycles distributed in total so far. Routine monitoring and evaluation of the BEEP takes place; a one year evaluation of the program in Malawi revealed that travel time for students with a bicycle was reduced by 57%; students with bicycles missed 8 fewer days of school per term than those without bicycles (72% difference in days missed) and were 28% less likely to miss 10+ days of school than students without bicycles.

"When I was about to give up, World Bicycle Relief came to my rescue. With the bicycle, the two-hour journey to school now takes me 30 minutes," Bridget says. "No more punishments, no fear of insults along the way and my performance has tremendously improved. You can check my grades with my form teacher," she challenges.

*Bridget Walata, Form 4 student at St Mary's Community Day Secondary School, Machinga District.*

### **UK Fundraising Report**

WBR UK raised just over £370,000 in 2018, a rise of 32% from the previous year. As a result of our investment in personnel, we were able to widen our donor base with a significant increase in corporate donations, also adding an extra 14 partners in 2018, and a 28% increase in major donors.

#### **Our Supporters**

Corporate support significantly increased in 2018. citizenM Hotels is now our largest corporate supporter, through its foundation, citizenMovement, which has pledged support solely to WBR UK for the next three years. It made a donation in 2018 of £150,000; a significant boost to fundraising in 2018.

Additionally, we continued to develop significant partnerships with a wide range of corporates, including Rouleur, Madison Sports Group, Passoni Bikes and Sigma Sports. Corporate donations during the year raised a total of £161,623.

The Global Cycling Network maintained their support. UCI World Champion and presenter, Emma Pooley completing Ride London on a Buffalo Bike. As a result, our fund raising from Ride London increased fourfold, with a total of £16,000 raised.

A number of trusts and foundations made donations in 2018 totalling £27,000. We are grateful to the following for their contributions:

- Orbis Buchanan Foundation and Dan Brocklebank
- CRH Trust
- Orr-Mackintosh Foundation
- RG Hills Charitable Trust
- Fulmer Charitable Trust
- Bramwell Morris
- Patrick Rowland Foundation

Many fundraisers completed more amazing challenge events, riding across the USA, more virtual cycling on the Zwift platform, and again, some incredible efforts from our young fundraisers who continue to inspire and amaze us with their determination and spirit.

The Year End Appeal was centred on the 'Gift of Go'. It was a busy end to the year with several major events. The WBR UK team attended Six Day London as the charity partners, and also the Rouleur Classic in London. WBR co-founder, FK Day and CEO Dave Neiswander visited the Rouleur Classic where potential donors were invited to a presentation kindly hosted by Investec Asset Management. A similar event was then held Jersey which was hosted by Aberdeen Standard Asset Management.

## Trustees' Annual Report

Year Ended 31 December 2018



Over 60 new contacts were made with potential donors through both events. WBRUK received direct donations totalling circa £10,000 as a result of these events; there is also great scope to create a bespoke cycling event in 2019/20 and a corporate event in London in late 2019.

We received a significant legacy donation of £10,000 and have created a series of marketing collateral to give supporters more information about how they can give a gift in memoriam or leave a legacy.

### Reserves Policy 2018

The charity maintained its reserves policy in 2018 in order to keep a minimum of £63,000 in unrestricted reserves to cover payroll and ongoing administration expenses. At 31 December 2018 it had unrestricted reserves of £88,666.

### Risk Statement

The trustees have reviewed the major risks to which WBR UK is exposed and have created a risk management matrix to ensure appropriate processes and procedures are in place to mitigate the governance, operational, financial and compliance risks that have been identified.

The trustees do not think that there are any current major risks that have not been addressed.

### Trustees

The trustees who served the charitable company during the period are detailed on page 3.

### 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.

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

## 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 2018

I report on the accounts of the company for the year ended 31 December 2018, which are set out on pages 8 to 15.

### Responsibilities and basis of report

As the trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Sharon Austen  
FRANCIS CLARK LLP  
Sigma House  
Oak View Close  
Edginswell Park  
Torquay  
TQ2 7FF



19 June 2019.....

Independent Examiner

# Statement of Financial Activities (Incorporating Income and Expenditure Account)

Year Ended 31 December 2018

	Notes	Total Unrestricted Funds Year Ended 31 December 2018	Total Unrestricted Funds Year Ended 31 December 2018
<b>Income from:</b>			
Donations, legacies, grants and sponsorship	9	<u>370,494</u>	<u>280,729</u>
<b>Total</b>		<u>370,494</u>	<u>280,729</u>
<b>Expenditure on:</b>			
Charitable activities	2	179,997	92,169
Raising funds	3	<u>184,935</u>	<u>175,977</u>
<b>Total</b>		<u>364,932</u>	<u>268,146</u>
<b>Net income and net movement in funds</b>		<b>5,562</b>	<b>12,583</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		<u>83,104</u>	<u>70,521</u>
<b>Total funds carried forward</b>		<u><b>88,666</b></u>	<u><b>83,104</b></u>

All of the above amounts relate to continuing activities.

The notes on pages 11 to 15 form part of these financial statements.

## Balance Sheet

31 December 2018

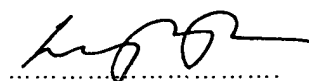
	Note	31 December 2018 £	31 December 2018 £
<b>Current Assets</b>	6		
Debtors		2,027	36,112
Cash at bank and in hand		<u>108,592</u>	<u>68,977</u>
		<b>110,619</b>	<b>105,089</b>
<b>Liabilities:</b>	7		
Creditors: Amounts falling due within one year		21,953	21,985
		<u>88,666</u>	<u>83,104</u>
<b>Net current assets</b>			
<b>Total Net Assets</b>		<u>88,666</u>	<u>83,104</u>
<b>The funds of the charity:</b>	9		
Unrestricted funds		88,666	83,104
Designated funds		-	-
		<u>88,666</u>	<u>83,104</u>

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 28 May 2019 and are signed on their behalf by:



Lucy D Lynch

Trustee.

Company Registration Number: 07550335

The notes on pages 11 to 15 form part of these financial statements.

## Cash Flow Statement

### Cash Flow Statement

31 December 2018

	31 December 2018 £	31 December 2018 £
<b>Cash flows from operating activities:</b>		
Net cash used in operating activities (below)	<u>39,615</u>	<u>(17,614)</u>
Change in cash equivalents in the year	39,615	(17,614)
Cash and cash equivalents at the beginning of the year	68,977	86,591
Cash and cash equivalents at the end of the year	<u>108,592</u>	<u>68,977</u>
 <b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>		
Net income for the year (as per the statement of financial activities)	5,562	12,583
Decrease/(increase) in debtors	34,085	(27,921)
Decrease in creditors	(32)	(2,276)
Net cash provided by/(used in) operating activities	<u>39,615</u>	<u>(17,614)</u>

The notes on pages 11 to 15 form part of these financial statements.

## Notes to the Financial Statements

Year Ended 31 December 2018

### 1. Accounting policies

#### (a) Basis 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) 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.

#### (c) 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.

#### (d) 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.

#### (e) Foreign Currency

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

## Notes to the Financial Statements

Year Ended 31 December 2018

### (f) 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.

### (g) 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 2018	Year Ended 31 December 2017
	£	£
BEEP SA (Bicycles Change Lives)	-	8,118
BEEP Bicycle grants/donations:		
Malawi	150,616	-
Zimbabwe	-	64,887
Writing editing and PR	24,120	15,060
Amounts payable to independent examiner:		
Independent examination	1,200	1,200
Accountancy fees	4,061	2,904
	<u>179,997</u>	<u>92,169</u>

BEEP = Bicycle for Education Empowerment Program

## 3. Raising funds

	Year Ended 31 December 2018	Year Ended 31 December 2017
	£	£
Staff costs	134,442	111,665
Staffing and recruitment	-	12,925
Professional services	79	1,862
Supplies	6,032	3,538
Printing	3,401	229
Telephone and internet	1,428	886
Staff travel	20,773	20,772
Rent	1,702	4,799
Insurance	1,069	1,028
Advertising	825	5,245
Bank charges	4,719	4,541
Meeting and event management	4,133	2,586
Shipping	702	155
Registration and licence fees	3,803	6,187
Exchange (gain) or loss	1,827	(441)
	<u>184,935</u>	<u>175,977</u>

Notes to the Financial Statements

Year Ended 31 December 2018

**4. Staff costs/Key management personnel**

	Year Ended 31 December 2018 £	Year Ended 31 December 2017 £
Gross salaries	122,750	102,417
Employers NI	10,352	9,248
Pension contributions—defined contributions	1,340	-
	<u>134,442</u>	<u>111,665</u>
Number	<u>3</u>	<u>2</u>

**5. Trustees**

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

**6. Debtors**

	Year Ended 31 December 2018 £	Year Ended 31 December 2017 £
Gift Aid	2,027	13,112
Accrued income	-	20,000
Prepayments	-	<u>3,000</u>
	<u>2,027</u>	<u>36,112</u>

**7. Creditors: Amounts falling due within one year**

	Year Ended 31 December 2018 £	Year Ended 31 December 2017 £ (as restated)
Taxation and social security	3,778	9,967
Accruals	3,859	3,829
Balance due to parent company	<u>14,316</u>	<u>8,189</u>
	<u>21,953</u>	<u>21,985</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.

Notes to the Financial Statements

Year Ended 31 December 2018

9. Funds

Current Year:	Balance at 1 January 2018	Income	Expenditure	Balance at 31 December 2018
	£	£	£	£
General fund	<u>83,104</u>	<u>220,494</u>	<u>(214,932)</u>	<u>88,666</u>
<b>Designated Funds</b>				
BEEP Malawi	<u>-</u>	<u>150,000</u>	<u>(150,000)</u>	<u>-</u>
	<u>83,104</u>	<u>370,494</u>	<u>(364,932)</u>	<u>88,666</u>
 Previous Year:	 Balance at 1 January 2017	 Income	 Expenditure	 Balance at 31 December 2017
	£	£	£	£
	(as restated)			
General Fund	<u>62,403</u>	<u>280,729</u>	<u>(260,028)</u>	<u>83,104</u>
<b>Designated Funds</b>				
BEEP SA (Bicycles Change Lives)	<u>8,118</u>	<u>-</u>	<u>(8,118)</u>	<u>-</u>
	<u>70,521</u>	<u>280,729</u>	<u>(268,146)</u>	<u>83,104</u>

**BEEP Malawi**

This represents funds designated to the BEEP Malawi programme.

**Bicycles Change Lives**

This represents funds designated to the BEEP South Africa programme.

## Notes to the Financial Statements

Year Ended 31 December 2018

**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 by ordinary resolution to appoint WBR UK's trustees. The consolidated accounts of the group can be obtained at <https://worldbicyclerelief.org/en/story/financials/>

The charity also made payments for the BEEP programme in Malawi of £150,616 (2017: nil) to Buffalo Bicycle Limited, a wholly owned subsidiary of World Bicycle Relief, NFP. At 31 December 2018 a balance of £nil was owed to Buffalo Bicycle Limited. Further details of the programme are contained in the Trustees' Report.

During the year the charity made payments for the BEEP of nil (2017: £8,118) 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 programme in Zimbabwe of nil (2017: £64,887) to Buffalo Bicycle Limited, a wholly owned subsidiary of World Bicycle Relief, NFP. At 31 December 2018 a balance of £nil was owed to Buffalo Bicycle Limited.

The total amount of donations paid to the charity during the year without conditions by charity trustees amount to £1,435 (2017: £1,155).