



Alexander Sloan
Accountants and Business Advisers

Charity registration number SC039789 (Scotland)

Company registration number SC344339 (Scotland)

FREE WHEEL NORTH

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023



FREE WHEEL NORTH

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Norman Armstrong Catriona Mulholland Harry McEwan	(Appointed 29 July 2022) (Appointed 20 July 2023)
Secretary	Norman Armstrong	
Charity number (Scotland)	SC039789	
Company number	SC344339	
Principal and Registered office	3/1 47 Braeside Street Glasgow G20 6QT	
Website address	www.freewheelnorth.org.uk	
Independent examiner	Kevin Booth, FCCA Alexander Sloan Accountants and Business Advisers 180 St Vincent Street Glasgow G2 5SG	
Bankers	The Co-operative Bank Plc PO Box 250 Skelmersdale WN8 6WT	

FREE WHEEL NORTH

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FREE WHEEL NORTH

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The Directors present their annual report and financial statements for the year ended 30 June 2023.

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 [governing document], the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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 2019).

Objectives and activities

The charitable objectives are as follows

- a) The advancement of health, mental and physical.
- b) The advancement of citizenship and community development, by encouraging volunteering, community engagement and regeneration through physical, social and economic infrastructure improvements.
- c) The provision of recreational facilities and activities with the object of improving the conditions of life for members of the public at large, but with a special emphasis on persons who have need of them through disability.
- d) Promotion of equality and diversity through campaigning on behalf of disabled people for better access to the outdoor environment.

The charity's principal activities are cycling projects either facilitating and running cycling activity, or advisory, working with local authorities and cycling organisations to bring about changes that improve walking and cycling infrastructure.

Achievements and performance

Free Wheel North has continued to survive and now even thrive through extremely tough times. What has become clear during the past two years is that the main objects of the charity, the advancement of mental and physical health are not taken particularly seriously at the highest levels of government, especially mental health and it remains possible to inflict existential psychological injury upon innocent people with impunity. All this has given us pause and made us reflect on why we exist.

Our mission then, for the coming years is to focus on mental health, the first and foremost object of the charity. Free Wheel North was founded in 2008, growing from deep roots of academic research carried out by the founder over 20 years. That research spanned philosophy, science and psychology and as Free Wheel North evolved, it merged with fields as diverse as the design of public space and epidemiology. The work of epidemiologist Sir Micheal Marmot, who identified the root causes of health inequalities in the East End of Glasgow, had a profound effect.

Free Wheel North has become respected for its input into urban realm science. As a result, concrete changes have been implemented in pockets of Glasgow that increased access for people with mobility issues. Barriers were removed along the Forth and Clyde towpath. In 2017 the Cycling Centre was redesigned incorporating principles of malleable public space, ones that now FWN advocates as a template for how cities should be, accessible to all, car free, safe and encouraging of physical activity and community; an exemplar of public realm humanisation.

FREE WHEEL NORTH

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Just how easy it is to create these places, given the political will, is demonstrated by the Union Cycliste Internationale Championship in Glasgow in August 2023. Huge swathes of the city have been repurposed: Roads normally given over to cars are currently dominated by cyclists. This transformation has occurred overnight. Events that favour celebrities and elites are easily accommodated. The purpose of Free Wheel North is to advocate for similar but permanent transformations that benefit communities, children and the vulnerable. The question is: What are streets for? Generally, the answer is: the movement of cars. Our answer reflects the work of anthropologist Jane Jacobs, who described the "ballet of the street", by which she meant that the true meaning of the space between buildings is to provide a social mingling for conversation, trade and play. For thousands of years streets were the source of the interplay of ideas, the origin of science and the place where children learned the skills of life through challenge and experience. The street urchin plays and learns the rules of life through unstructured adventure. Such is the foundation of psychological and physiological health. It is embodied in the Cycling Centre, which is ripe for replication and roll out, hence the outreach and growth strategy.

In recent months Free Wheel North has piloted Cycling Centres at many locations in Greater Glasgow. Each event plants a seed for another centre. Recent forays have been to Shawlands, Strathclyde Park, Maryhill, Leverndale Hospital and Larkhall. We engage with local and national partners eager to draw upon our experience. They range between local community groups, regenerative organisations, academic institutions, local authorities and networks of expertise specific to inclusive cycling. At the moment we are forging connections with Edinburgh University. (Physical Activity for Health Research Centre) and Clyde Gateway, in respect of a Toryglen pilot. We are on the expert Panel of the inclusive cycling network Wheels for Wellbeing and we work within the council's Glasgow Accessible and Inclusive Design Forum.

The template of the Glasgow Green Cycling Centre was given a tremendous boost on the 10th August 2023. The National Lottery Community Fund visited with two-time Olympic Gold medal winning Katie Archibald, the ambassador for the UCI Cycling World Championships. The media attended in force, for example the BBC, STV, Glasgow Times, The Herald and many others. The founder was interviewed ten times followed by broadcasts on TV, Radio and internet media. The National Lottery were enthusiastic about the project, as were the hundreds of people joyfully participating in the event. Twenty volunteers, including some Australian participants of the UCI Championships made for a special day. It reestablished Free Wheel North's position as the leading cycling project in Glasgow and a principle source of ideas driving the city forward into a sustainable, healthy and safe future.

The Projects

Without funding, charity work can be difficult. However, despite this, The Cycling Centre is operating at a higher level than ever before and all other projects are developing well.

The Glasgow Green Cycling Centre

The Centre is about much more than cycling; it is a community space for bringing together people from all backgrounds, abilities and parts of the world. For example, the Ghana Welfare Society held a party there on the 22nd of July 2023 that went on into the evening and represented everything we stand for in terms of inclusion and health. June 2023 was a record month for Inclusive Cycling at the Centre, both in terms of income and the numbers of organisations visiting, ranging from the Glasgow Association for Mental Health to the Carlton Centre to ASN Schools, the Inclusive Homework Club, Action for Children, Beachcombers Playscheme, Epilepsy Scotland and many others. We are greatly appreciated:

- 20th July 2023
A wonderful, fun filled set up at Glasgow Green. Terrific staff. A Huge well done to all who make this possible and a huge thank you from grateful grandparents.
Margaret Dunbar
- 11th July 2023
What a brilliant facility, really friendly and professional staff, all volunteers. My Daughter loved it. We will be back. Thank you for what you all do. A great summer holiday activity.
Jayne Rice

FREE WHEEL NORTH

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

- 3rd of July 2023

Lovely staff, friendly, welcoming, and so accommodating. Can't wait to come back. A fantastic organisation.

Katy

Cosgrove Care

Coffee on the Green

Coffee on the Green had a record month in May 2023, and it contributes to the charity as a social enterprise and as a place where community groups can meet. The synergy between the café and the cycling activity is powerful, as project users move between the two to take in fuel and then expend it on the inclusive bikes.

Boomerang

The Boomerang mental health woodworking project was affected, like the rest of the projects, by lack of funding. However, a strategy to make it a Community Interest Company in its own right is working. It generated income by making equipment for other community groups. Boomerang is run entirely by volunteers and retains a strong partnership with Free Wheel North.

The Whitehouse

The historic Whitehouse on the Forth and Clyde Canal is currently rebuilding its capacity to run a community café and a bike shop. Its emphasis has shifted towards mental health improvement. Again, run entirely by volunteers, the projects include community dinners at which members of the community get a free evening dinner made by a chef. These are well attended and the food is of high quality. The litter picking project undertakes clean ups of the local environment and is growing strongly with help from Glasgow City Council. The art project includes exhibitions and art workshops twice a week. But the main thrust at the moment is to reestablish the café and the bike shop. An application for funding to the Scottish Government is looking promising.

Training

Free Wheel North has transformed its systems, procedures and volunteer skills through excellent support from its consultants, Peninsula. Peninsula provides templates and structures, hands on support, training and expertise in all matters legal, health and safety and compliance. This has dovetailed into support and advice from Glasgow City Council and Volunteer Scotland, both of whom have provided extensive information on safeguarding and the protection of vulnerable people. All the interventions have been extremely positive leading to a deeper understanding and all the recommendations have been or are being implemented.

Finance

Free Wheel North has been deprived of all funding for almost two years. Yet it has not only survived but is now again thriving. A great willingness of volunteers to contribute their time and energy without any financial reward has been inspirational, and it is testimony to them that the Cycling Centre has smashed records in terms of numbers of service users, quality of experience, and social enterprise income. Overall, in this financial year, 95% of income was generated by social enterprise.

This year, as in all previous years, spending has been extremely prudent and diligent. All expenditure is directed toward benefitting the community and nothing is wasted. The founder of the charity always took the minimum possible salary in order to support the charity and other staff. When all funding was lost, he refused to take any redundancy pay. Without this sacrifice the charity may not have survived through recent turbulent times.

FREE WHEEL NORTH

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

The possibility of regaining funding has now returned: the visit of the National Lottery along with Olympian Katie Archibald may be a springboard for future income. Moreover there has been a surge of interest in the charity, with enthusiastic support and admiration coming from many sources including at an international level. We believe, with supporting evidence, that Free Wheel North represents the most effective means possible for transforming lives. It has identified the core principles of mental and physical health and has used those principles to build projects that deliver happiness and wellbeing in great quantities. It has been a tough journey recently, but what does not kill us will make us stronger, and the determination to fight through the difficulties should be an inspiration.

Mental Health is the essence of what we do: Our projects are a microcosm of the better world we envisage; a world in a grain of sand; and to paraphrase William Blake

*I will not cease from Mental Fight,
Nor shall my Sword sleep in my hand:
Till we have built Jerusalem,
In Scotland's green & pleasant Land.*

Financial review

The Statement of Financial Activities on page 7 indicates both Net Expenditure (i.e. a Deficit) and negative Net Movement in Funds for the year of £120,103. At 30 June 2023, the charity had total funds of £211,295 (2022 - £331,398) of which £169,546 (80%) were tied up in fixed assets.

Reserves Policy

It is the policy of the charity to maintain Unrestricted Funds (i.e. funds not committed or invested in fixed assets) at a level which equates to approximately three months of unrestricted expenditure. Unrestricted Funds per the General Fund (page 7) at 30 June 2023 amounted to £27,259 (2022 - £81,075) which was acceptable to the Directors.

Risk Management

The Directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Free Wheel North, ("the charity") was incorporated on 13 June 2008 as a company limited by guarantee, (No. SC344339), governed by its Memorandum and Articles of Association and is a Scottish Charity (No. SC039789).

The Directors who served during the year and up to the date of signature of the financial statements were:

Norman Armstrong	
Philip Jones	(Resigned 29 July 2022)
Andrew McCulloch	(Resigned 20 July 2023)
Stephen Koepplinger	(Appointed 29 July 2022 and resigned 23 March 2023)
Catriona Mulholland	(Appointed 29 July 2022)
Thomas Bennet	(Appointed 29 July 2022 and resigned 19 January 2023)
Harry McEwan	(Appointed 20 July 2023)

Appointment of Directors

New Directors are elected annually. New Directors take part in an induction programme which aims to familiarise them with the charity's values, aims and objectives together with its day-to-day operations, in addition to clarifying their statutory responsibilities as Directors of a company limited by guarantee and Trustees of a charity.

Organisational structure

The Directors are responsible for the overall direction of the charity and serve voluntarily. See also Note 7.

FREE WHEEL NORTH

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Key management personnel and remuneration

The Directors consider themselves as the charity's key management personnel in charge of directing and controlling the charity and overseeing its daily activities. Details of remuneration paid to Norman Armstrong, Director, are provided in Note 7.

Independent examiner

In accordance with the company's articles, a resolution proposing that Kevin Booth, FCCA, be reappointed as independent examiner of the charitable company will be put to the Annual General Meeting.

The Directors' report was approved by the Board of Directors.

Norman Armstrong

Norman Armstrong

Director

Dated: 29 August 2023

FREE WHEEL NORTH

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS OF FREE WHEEL NORTH

I report on the financial statements of the charity for the year ended 30 June 2023, which are set out on pages 7 to 23.

Respective responsibilities of Directors and examiner

The charity's Directors, who also act as Trustees for the charitable activities of Free Wheel North, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Directors consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. 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 seeks explanations from the 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 financial statements.

Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Kevin G Booth

Kevin Booth, FCCA
Alexander Sloan
Accountants and Business Advisers
180 St Vincent Street
Glasgow
G2 5SG

Dated: 5/9/2023

FREE WHEEL NORTH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2023

Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
<u>Income from:</u>						
Donations	3	2,888	-	-	2,888	47,371
Income from charitable activities	4	-	-	1,000	1,000	80,383
Income from other trading activities	5	71,349	-	9,481	80,830	94,898
Total income		74,237	-	10,481	84,718	222,652
<u>Expenditure on:</u>						
Cost of charitable activities	6	128,053	36,269	40,499	204,821	313,267
Net movement in funds		(53,816)	(36,269)	(30,018)	(120,103)	(90,615)
Fund balances at 1 July 2022		81,075	205,815	44,508	331,398	422,013
Fund balances at 30 June 2023		27,259	169,546	14,490	211,295	331,398

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 11 to 23 form an integral part of these financial statements.

FREE WHEEL NORTH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2023

Prior financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
Income from:					
Donations	3	47,371	-	-	47,371
Income from charitable activities	4	-	-	80,383	80,383
Income from other trading activities	5	89,920	-	4,978	94,898
Total income		<u>137,291</u>	<u>-</u>	<u>85,361</u>	<u>222,652</u>
Expenditure on:					
Cost of charitable activities	6	<u>148,098</u>	<u>37,917</u>	<u>127,252</u>	<u>313,267</u>
Gross transfers between funds	14/15	(2,758)	15,545	(12,787)	-
Net movement in funds		<u>(13,565)</u>	<u>(22,372)</u>	<u>(54,678)</u>	<u>(90,615)</u>
Fund balances at 1 July 2021		<u>94,640</u>	<u>228,187</u>	<u>99,186</u>	<u>422,013</u>
Fund balances at 30 June 2022		<u><u>81,075</u></u>	<u><u>205,815</u></u>	<u><u>44,508</u></u>	<u><u>331,398</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 11 to 23 form an integral part of these financial statements.

FREE WHEEL NORTH

BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11		169,546		205,815
Current assets					
Debtors	12	2,660		3,062	
Cash at bank and in hand		45,366		129,268	
		<u>48,026</u>		<u>132,330</u>	
Creditors: amounts falling due within one year	13	<u>(6,277)</u>		<u>(6,747)</u>	
Net current assets			41,749		125,583
Total assets less current liabilities			<u>211,295</u>		<u>331,398</u>
Income funds					
Restricted funds	14		14,490		44,508
<u>Unrestricted funds</u>					
Designated funds	15	169,546		205,815	
General unrestricted funds		<u>27,259</u>		<u>81,075</u>	
			196,805		286,890
			<u>211,295</u>		<u>331,398</u>

FREE WHEEL NORTH

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Directors on 29 August 2023

Norman Armstrong

Norman Armstrong
Director

Catriona Mulholland

Catriona Mulholland
Director

Company Registration No. SC344339

The notes on pages 11 to 23 form an integral part of these financial statements.

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

Charity information

Free Wheel North is a private company limited by guarantee and incorporated in Scotland. The registered office is 3/1 47 Braeside Street, Glasgow, G20 6QT. The principal place of activities is Glasgow Green, Templeton Street, Glasgow, G40 1AT.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), Companies Act 2016 and "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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Directors in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Income from Charitable Activities

Income from charitable activities includes income earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Income from charitable activities is recognised as earned (as the related goods or services are provided).

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

Grants receivable

Income from government and other grants, whether 'capital' or 'revenue' in nature, are recognised when the charity has unconditional entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Unconditional entitlement will be achieved once any performance or other conditions attached to the grants have been met, or fulfilment of those conditions is wholly within the control of the charity.

Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Other trading activities

Income from other trading activities includes income earned from both trading activities to raise funds for the charity and income from fundraising events and is recognised when the charity has entitlement to the funds, it is probable that these will be received and the amounts can be measured reliably.

1.5 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 settlement will be required and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Expenditure on Charitable Activities

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

Governance costs

Governance costs (which are included as a component of support costs in accordance with SORP) comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to constitutional and statutory requirements, external scrutiny (audit or independent examination), strategic management, and other legal and professional fees.

Activity based reporting

To comply fully with the Statement of Recommended Practice would require income and expenditure to be reported by activity. The Directors are of the opinion that the activities of the charity are inter-linked, therefore this would be impractical to calculate and would provide no additional benefit to the users of these financial statements. Therefore no further analysis of income and expenditure is provided within these financial statements.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	The Whitehouse, Maryhill - 20% straight line Glasgow Green - straight line over 15 years
Fixtures, fittings and equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

3 Donations

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Donations and gifts	2,888	28,717
Grants	-	18,654
	<u>2,888</u>	<u>47,371</u>
Grants receivable for core activities		
Persimmons Building Futures	-	5,000
Glasgow City Council (Covid Recovery)	-	6,725
Job Retentions Scheme Fund	-	6,929
	<u>-</u>	<u>18,654</u>

4 Income from charitable activities

	2023 £	2022 £
Performance related grants	<u>1,000</u>	<u>80,383</u>
Performance related grants		
Arnold Clark Community Grant	1,000	-
Cycling UK	-	4,000
Smarter Choices, Smarter Places	-	16,345
Scottish Government	-	29,058
The Robertson Trust	-	8,250
Tesco Community Grants	-	500
Rank Foundation	-	8,783
Cycling Scotland	-	14,000
Step Up Glasgow	-	(553)
	<u>1,000</u>	<u>80,383</u>

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

5 Income from other trading activities

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Commissioned Events	4,684	-	4,684	4,920	-	4,920
Bike Repairs	7,962	-	7,962	14,135	-	14,135
Group Cycle Training	33,813	-	33,813	32,847	-	32,847
Venue Hire	382	-	382	1,324	-	1,324
Bespoke Cycle Training	-	-	-	5,862	-	5,862
Wood Classes	-	9,481	9,481	-	4,978	4,978
Café income	24,508	-	24,508	30,832	-	30,832
Income from other trading activities	<u>71,349</u>	<u>9,481</u>	<u>80,830</u>	<u>89,920</u>	<u>4,978</u>	<u>94,898</u>

6 Cost of charitable activities

	2023 £	2022 £
Staff costs	83,717	168,544
Depreciation and impairment	36,269	37,917
Premises costs	34,736	31,406
Running costs	37,223	63,717
Legal and professional	4,743	5,601
Governance costs	8,133	6,082
	<u>204,821</u>	<u>313,267</u>
Analysis by fund		
Unrestricted funds - general	128,053	148,098
Unrestricted funds - designated	36,269	37,917
Restricted funds	40,499	127,252
	<u>204,821</u>	<u>313,267</u>

7 Directors' remuneration and expenses

Remuneration of £8,391 (Per Note 8) (2022 - £10,126) was paid to Norman Armstrong, Director, in his role as the charity's Development Worker and in accordance with Sections 50 to 52 of the charity's Articles of Association.

No Director was reimbursed expenses during the year (2022 - £Nil). See also Note 17.

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Employees	5	12
Seasonal workers	-	3
	<u>5</u>	<u>15</u>

Employment costs

	2023 £	2022 £
Director's salary	8,391	10,126
Wages and salaries	73,631	152,110
Social security costs	1,182	4,424
Other pension costs	904	1,985
	<u>83,717</u>	<u>168,544</u>

The remuneration of key management personnel during the year including employer's contributions to national insurance and pensions was £22,377 (2022 - £35,623).

There were no employees whose annual remuneration was £60,000 or more.

9 Net income/(expenditure) for the year

	2023 £	2022 £
Net income/(expenditure) for the year is stated after charging:		
Independent examiner's remuneration	5,996	6,051
Depreciation of owned tangible fixed assets	36,269	37,917
Operating lease charges	<u>10,690</u>	<u>10,690</u>

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

11 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 July 2022	295,510	112,530	408,040
At 30 June 2023	295,510	112,530	408,040
Depreciation and impairment			
At 1 July 2022	113,354	88,871	202,225
Depreciation charged in the year	27,904	8,365	36,269
At 30 June 2023	141,258	97,236	238,494
Carrying amount			
At 30 June 2023	154,252	15,294	169,546
At 30 June 2022	182,156	23,659	205,815
Analysis of cost by location			
Glasgow Green	194,883		
The Whitehouse, Maryhill	100,627		
	295,510		

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	192	-
Prepayments and accrued income	2,468	3,062
	2,660	3,062

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	6,277	6,747

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 July 2021	Income	Expenditure	Transfers	Balance at 1 July 2022	Income	Expenditure	Balance at 30 June 2023
	£	£	£	£	£	£	£	£
Smarter Choices, Smarter Places Fund	-	16,345	(16,345)	-	-	-	-	-
Boomerang Project Fund	64,289	13,228	(33,009)	-	44,508	10,481	(40,499)	14,490
Glasgow Green Staffing Fund	27,433	-	(27,873)	440	-	-	-	-
Adaptive Bike Pilot Fund	-	29,058	(29,058)	-	-	-	-	-
Cycling Repair Scheme Fund	-	4,000	(4,040)	40	-	-	-	-
Time to Shine Fund	2,369	8,783	(11,152)	-	-	-	-	-
Woodland Cycle Fund	125	-	(125)	-	-	-	-	-
Glasgow Green Café Fund (Revenue)	-	500	(500)	-	-	-	-	-
Glasgow Green Bike Shop Fund	-	14,000	-	(14,000)	-	-	-	-
Step Up Apprentice Fund	4,970	(553)	(5,150)	733	-	-	-	-
	<u>99,186</u>	<u>85,361</u>	<u>(127,252)</u>	<u>(12,787)</u>	<u>44,508</u>	<u>10,481</u>	<u>(40,499)</u>	<u>14,490</u>

Purposes of Restricted Funds

Smarter Choices, Smarter Places Fund

Represents grant funding received from Paths for All via Glasgow City Council to encourage active travel. The fund was expended at 30 June 2022.

Boomerang Project Fund

Represents grant funding received from Arnold Clark Community Funding towards the operating costs of the Boomerang Project supplemented by income arising from Wood Classes and Commissioned Projects.

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

14 Restricted funds

(Continued)

Glasgow Green Staffing Fund

Represents grant funding received from BBC Children in Need and the National Lottery Community Fund (Medium Grants Scotland) to finance the employment costs of Project staff at the charity's Glasgow Green site. During the year ended 30 June 2022, £440 was transferred from the General Fund (Unrestricted) to absorb the deficit on this fund. The fund was expended at 30 June 2022.

Adaptive Bike Pilot Scheme Fund

Represents grant funding received during the year ended 30 June 2022 from Scottish Government towards the operating costs of an Adaptive Bike Pilot scheme to refurbish abandoned adaptive bikes and develop a hub where young people can come to use the bikes in a safe environment. The fund was expended at 30 June 2022.

Cycling Repair Scheme Fund

Represents funding received from Cycling UK to finance the charity's participation in the Big Bike Revival for Key Workers (Scotland). During the year ended 30 June 2022, £40 was transferred from the General Fund (Unrestricted) to absorb the deficit on this fund. The fund was expended at 30 June 2022.

Time to Shine Fund

Represents grant funding received from Rank Foundation to employ a media development officer. The fund was expended at 30 June 2022.

Woodland Cycle Fund

Represents funding received from Scottish Forestry to finance the 'Woodland activities for human and nature connection' project. The fund was expended at 30 June 2022.

Glasgow Green Café Fund (Revenue)

Represents funding from Tesco Community Grant to fund the day to day running of the café. The fund was expended at 30 June 2022.

Glasgow Green Bike Shop Fund

Represents funding from Cycling Scotland to fund the promotion and enablement of cycling within the local community. The transfer of £14,000 during the year ended 30 June 2022 to the Designated Assets Fund (Unrestricted) related to the financing of fixed assets during the year. The fund was expended at 30 June 2022.

Step Up Apprentice Fund

Represents funding from Step Up Glasgow (Glasgow City Chambers of Commerce) to finance the employment of an apprentice bike mechanic. The negative income amount occurred due to over accrual of income in the year ended 30 June 2021. During the year ended 30 June 2022, £732 was transferred from the General Fund (Unrestricted) to absorb the deficit on this fund. The fund was expended at 30 June 2022.

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the Directors for specific purposes:

	Balance at 1 July 2021	Expenditure	Transfers	Balance at 1 July 2022	Expenditure	Balance at 30 June 2023
	£	£	£	£	£	£
Designated Assets Fund	228,187	(37,917)	15,545	205,815	(36,269)	169,546
	<u>228,187</u>	<u>(37,917)</u>	<u>15,545</u>	<u>205,815</u>	<u>(36,269)</u>	<u>169,546</u>

Purposes of Designated Funds

Designated Assets Fund

The Designated Assets Fund represents the net book value of the charity's fixed assets which would not be readily convertible into cash. In the prior year a transfer of £15,545 related to the purchase of fixed assets as financed (1) £1,545 from the General Fund (Unrestricted), (2) £14,000 from the Glasgow Green Bike Shop Fund (Restricted).

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

16 Analysis of net assets between funds

	Unrestricted General funds	Unrestricted Designated funds	Restricted funds	Total	Unrestricted General funds	Unrestricted Designated funds	Restricted funds	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
Fund balances at 30 June 2023 are represented by:								
Tangible assets	-	169,546	-	169,546	-	205,815	-	205,815
Current assets/(liabilities)	27,259	-	14,490	41,749	81,075	-	44,508	125,583
	<u>27,259</u>	<u>169,546</u>	<u>14,490</u>	<u>211,295</u>	<u>81,075</u>	<u>205,815</u>	<u>44,508</u>	<u>331,398</u>

FREE WHEEL NORTH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

17 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	10,690	10,690
Between two and five years	36,670	42,760
In over five years	3,354	7,954
	<u>50,714</u>	<u>61,404</u>