

Annual report 2006.31.12

Dear All,

Thank you for the great effort in 2006.

During the 9 months the White Bicycles project has existed, you have raised and donated \$2.541 to the projects. Great work!

Service and maintenance in 2006 was far lower than budgeted (\$177.5/\$635) due to the fact that no service personnel was employed in the period. For 2007 we expect service and maintenance cost to level at around 25% (50cents per rental).

No scholarships were given through the project in 2006. The scholarship is presently attached to the service and maintenance position. However, we will change policy for 2007, allowing employees at participating parties to apply.

As no scholarship was given, the water filter project and Helper Students received \$353 (\$143/\$210) more than entitled to according to the ¼ share they were to receive.

A depreciation of 30% on bicycles was expensed for accounting purposes.

Plans for 2007

- Employ a dedicated service person to improve service and maintenance
- Make scheduled volunteer excursions / field trips for guests
- Find more hotels and guesthouses to join the project
- A scholarship lottery for employees
- Engage volunteers to work for the project
- Work for better rating at World Hotel Link
- Listing in Lonely Planet

PS! Try to keep the bicycles clean, pumped up and ready to go!

Best regards,
Ken Oishi