Has the Employer agreed to transfer ownership of the equipment to Cyclescheme?

- **NO**
  - Cyclescheme act as Trusted Advisors
  - Options for Employer are:
    1. Employer can use Cyclescheme's free of charge MV collection process
    2. Extend the 'Hire' period and charge the HMRC valuation table % at the end of the 'Hire' period extension
    3. Charge a nominal Market Value (MV) and declare the taxable difference on the Employee's P11D
    4. Refer to the EIM Valuation Table and charge the applicable percentage after the initial 12 month hire period

- **YES**
  - Cyclescheme offer transfer of ownership to employee after 12 months, at 18%/25% of original certificate value inc VAT @ 17.5% or 20%
  - Employee pays MV?
    - **NO**
      - Ownership transfers to participant upon receipt of MV payment
      - Employee extends use period? (by 31 months)
        - **YES**
          - Continuation Deposit will be collected upon signature of the Extended Use Agreement, at an amount equivalent to 3% or 7% inc. VAT @ 17.5% or 20%, of the original certificate value, depending on the certificate value being below £500 or £500+
          - At the end of the extended use period Cyclescheme will contact the Employee and may offer transfer of ownership or the option to return the bike
        - **NO**
          - Employee returns bicycle to Cyclescheme
          - Continuation Deposit is returned to Employee upon confirmation of receipt of the bicycle
    - **YES**
      - Employee pays MV?
        - **NO**
          - Cyclescheme returns Continuation Deposit to the Employee upon confirmation of receipt of the bicycle
        - **YES**
          - Cyclescheme retains Continuation Deposit as consideration for the transfer of ownership