



COMMUNITY TRANSPORT
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

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COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2020

Trustees

A Akinola
H M Keenan
I D Kerr
T Stephenson (to 24 July 2019)
C E Taylor, Vice Chair
B J Yeomans, Chair

Company registered number

2118677

Charity registered number

247331

Registered office

2nd Floor, Parkview House,
Woodvale Road
Brighouse
West Yorkshire
HD6 4AB

Chief Executive Officer

J Beaumont

Independent auditors

BHP LLP
New Chartford House
Centurion Way
Cleckheaton
West Yorkshire
BD19 3QB

COMMUNITY TRANSPORT
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Bankers

Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

Santander
Bridle Road
Bootle
Merseyside
L30 4GB

Legal advisors

Womble Bond Dickinson LLP
1 Whitehall Riverside
Leeds
West Yorkshire
LS1 4BN

Lupton Fawcett LLP
Yorkshire House
East Parade
Leeds
West Yorkshire
LS1 5BD

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their annual report together with the audited financial statements of the company for the year 1 April 2019 to 31 March 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

Since the group and the company qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Community Transport is a Company Limited by Guarantee, registered in England and Wales, number 2118677, and a Registered Charity, number 247331. The Directors opted, at the time of incorporation to register the name "Community Transport" and not "Community Transport Limited".

Community Transport has a 100% shareholding in a trading company, Community Minibuses Limited (CML), number 4125371.

The Charity also uses several trading and brand names:

"CT Passenger" refers to the provision of passenger transport services.

"CT Office" refers to the provision of office furniture

"CT Furniture" refers to the provision of domestic furniture.

"CT Training" refers to the provision of transport related training.

● **Objectives and activities**

The Trustees have referred to the Charity Commission guidance on public benefit and the objects of the Company are charitable in the fields of social welfare, as defined in paragraph 3 (a) of the Memorandum and Articles of Association. The public benefit requirement is met through three main areas of operation:

- a) Passenger Transport; operating accessible and non-accessible minibuses transport services at affordable prices for local community and voluntary groups and for individuals with mobility and other health issues;
- b) Furniture Re-Use and Recycling: collecting donated items of domestic and office furniture and using this to provide affordable furniture for those facing financial difficulty and to generate funds to subsidise charitable passenger service activity;
- c) Training: providing transport related training to community groups, work experience opportunities across all divisions, supporting people to gain skills, confidence and experience towards entering and sustaining employment.

COMMUNITY TRANSPORT
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

(continued)

● **Strategic plan**

The strategic aim of the charity is to support people least able to access the services which can enrich their lives.

Within the areas we operate we aim to:

1. Create more opportunities for social interaction
2. Encourage more re-use of furniture through providing affordable furniture for those who need it
3. Increase access to services

The Company's activities are the subject of a Strategic Plan set for three years and reviewed annually, and which defines the vision and objectives approved by the Board of Trustees.

● **Values**

Taking pride in delivering services that people want in a caring, fair, and professional way, towards improving and enriching lives.

Community Transport upholds these values in three areas of activity:

1. Transport

By providing specialised professional transport for people who are unable to access conventional transport through limited mobility, ill-health, or other issues, allowing them to have choice, independence, and social interaction with others.

We provide this through a door to door rather than kerb to kerb service, using accessible vehicles and trained and vetted Drivers to provide a safe, professional, and caring service that ensures people get safely back inside their own home. We also provide accessible vehicles for use by other third sector organisations in the areas where we operate, helping them to provide accessible transport to those that they support too.

COMMUNITY TRANSPORT
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

(continued)

This includes:

- The South Staffordshire Connect service, which continues to be a flagship service providing friendly, caring, and accessible transport for people living in rural areas of South Staffordshire who are unable to access conventional transport.
- Transport services for renal patients travelling to and from dialysis clinics across the Black Country, Birmingham, and Coventry areas in 2019/2020;
- Non-emergency patient transport from hospitals in the northeast both within the region and to and from Cumbria, which is delivered by CT Passenger Newcastle.
- Group travel, shopping services and day centre transport.

2. Furniture Re-Use and Recycling

By providing affordable second-hand furniture we enable families and individuals on lower incomes to obtain household essentials at prices that they can afford and by promoting recycling of furniture, help to both tackle poverty and reduce waste. Additionally CT Furniture also sells donations of office furniture in order to generate funds to support its charitable transport services:

This includes:

- CT Furniture shops in Byker, Elswick and Blyth in the northeast, and in Birmingham, Sandwell, and Wolverhampton in the West Midlands.
- Volunteering and placement support continued to be strongest in the northeast, and CT Furniture in this region is a preferred provider for Job Centre Plus in supporting local people to gain skills and confidence towards further education and employment.
- Corporate donations of office furniture, with delivery now UK wide.

3. Training

By equipping people with the skills to remove barriers to learning, volunteering, and working, and to upskill people in the areas in which it operates.

This includes:

- Delivery of the Minibus Driver Awareness Scheme (MiDAS) and related training to community groups, schools and individuals.
- Meeting internal training needs for transport related training and refresher training.

CT Support Services

- A small central support team comprising finance, HR and governance functions continues to support operations across all Community Transport sites.

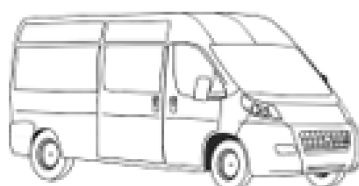
(continued)

Achievements and performance

- Main achievements of the company

Community Transport achieved social impact in the following ways:

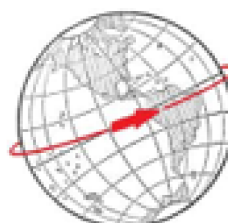
Passenger trips



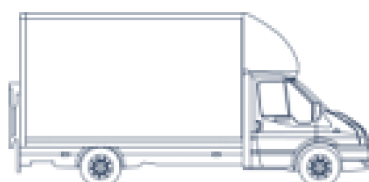
The number of passenger trips delivered by us was
145,362

Distance travelled

Our minibuses travelled
850,800 miles
over the year, which is
enough to circle the world 34
times



Items collected



We collected **924** tonnes of
furniture and other goods
from households and
businesses

Items recycled



We recycled **58,632** items
of furniture and other goods
to individuals and families

Achievements and performance (continued)

Customer satisfaction



Overall, our customer satisfaction across passenger and furniture services reached **98.8%**

Our people

Our volunteers and work placements gave us **40,754** hours of their time




















Carbon savings

The carbon savings from potentially diverting this amount of goods from landfill or reprocessing could save the environment **7,392** tonnes of CO²



Achievements and performance (continued)

Operational Sites and Services

Operational Site			
Blyth		Domestic 	
Newcastle East		Domestic and Office 	
Newcastle West		Domestic 	
Wolverhampton		Domestic and Office 	
West Bromwich		Domestic 	
Birmingham		Domestic and Office 	
Coventry			

● **Review of activities**

There has been continued uncertainty relating to the operating environment for passenger services due to the ongoing Department for Transport consultation on vehicle and driver licensing. A Judicial Review, which took place in December 2019, did not provide the clarity hoped for and further review by the Department for Transport is still awaited. CT has been part of the national pressure group, comprising the major community transport operators in England, that took part in and presented a case to the Judicial Review.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance (continued)

This year has also seen further development towards meeting the Clean Air Zone requirements in Birmingham, which will be replicated in other cities in the West Midlands and in Newcastle upon Tyne over the next two years.

Resources

Employment terms and conditions are set by and reviewed by the Board of Trustees and are implemented through the Chief Executive and Senior Management Team. The Company is an equal opportunities employer and aims to maintain a diverse and varied workforce with fair and transparent recruitment of the best people at the heart of its policies and practices. During the year, Trustees carried out an external salary benchmarking exercise in respect of roles that sit within the Senior Management Team.

People

Year to:	Employees	Volunteers
31 March 2019	98	65
31 March 2020	100	70

Average head count expressed as full time equivalent:

	Year to March 2020	Year to March 2019
Senior Management Team	6.0	6.0
Wider Management Team	6.0	-
Support	7.7	9.5
Passenger	29.7	35.0
Furniture	15.7	15.0
Training	1.0	2.0
Total	66.1	67.5

● **Fundraising activities and income generation**

The charity does not actively fundraise, but appreciates cash donations from the sale of furniture. The charity does not use any professional fundraiser or commercial participator to carry out activities on the charity's behalf.

Due to the low level of fundraising the charity undertakes, the charity is not a participant of a voluntary scheme for regulating fundraising, or any voluntary standard of fundraising for the activities carried out on behalf of the charity. Should the charity at some point in the future undertake a specific fundraising campaign or start to generate more income through fundraising, the trustees will look to sign up to a voluntary fundraising code.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance (continued)

Financial review

● **Going concern**

The group meets its day to day working capital requirements through its bank current accounts which had funds at 31 March 2020 of £1,368,883. The group's services achieved a positive movement in unrestricted funds of £184,676. The current economic conditions have created an element of uncertainty over demand for the group's services. However the group's forecasts and projections, taking account of reasonably possible changes in trading performance, shows that the group is expected to have a sufficient level of financial resources available for at least the next 12 months and therefore the directors believe that the group is well placed to manage its business risks successfully despite the economic uncertainty. After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

The Trustees have considered the impact of Covid-19 on the Charity's income and beneficiaries, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Trustees are confident that they have plans in place to deal with and mitigate any financial losses that may arise. The Trustees therefore consider that the level of reserves for the charity are adequate. The Trustees continue to adopt the going concern basis of preparation for these financial statements.

● **Reserves policy**

Total reserves held at 31 March 2020 increased by £187,423 to £1,840,157 with restricted funds increased from £171,612 in 2018/19 to £174,359 in 2019/20.

The Board of Community Transport aims to develop a prudent level of reserves, some of which are designated for specific purposes. The table below summarises the current status of unrestricted reserves:

	2020 £'000	2019 £'000
Total unrestricted reserves	1,666	1,481
Less: designated funds	(364)	(364)
Less: unrestricted fixed assets	(270)	(295)
Free reserves	1,032	822

The charitable company seeks to keep a surplus in interest-earning accounts for working capital purposes and then transfers cash as required to the current accounts to meet obligations.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Financial review (continued)

Free reserves

Free reserves provide liquidity that reduces to a minimum the need for short or long term borrowing and the levels of interest or debt associated, thus serving as a protection in the face of unexpected trading variations or cost increases. A target of £500,000 in free reserves has been set to allow for 2 to 3 months operating expenditure. The charitable company's intention is to generate annual surpluses in the medium term to maintain this target.

It should be noted that the protection of free reserves covers the 6 principal metropolitan districts in which the charitable company operates. It would therefore be reasonable to take 16.67% as an average apportionment to any one district.

Designated funds

Community Transport maintains a capital fund available to underpin capital investment, either in the form of capital purchases, bank loans or operating leases, in particular this fund is designed to reduce maintenance expenditure on older vehicles and to move, as opportunities arise, to more appropriate operating sites. The level of this fund is set at £295K as at 31 March 2020. It is expected that this will be expended as follows:

Passenger vehicles: £120K

Goods Vehicles: £60K

ICT: 25K

Dilapidations: £60K

Repairs to existing sites (Wolverhampton roof): £30K

Total £295K

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Financial review (continued)

● **Principal risks and uncertainties**

The Board of Trustees places the utmost importance on managing risk, and receives and approves all strategic governance policies, the risk register and governance schedule bi-annually.

The following include major risk areas to which the Charity is exposed and the dates of which they have been revised and approved:

- Corporate financial risks – forward planning and contract reviews ensure that a broader picture of existing and potential contract income is maintained; contract income may cease before scheduled contract re-tendering or end dates and so remains an ongoing risk.
- Health and Safety – the policy and procedures are reviewed annually or as required in response to legislative changes, by a NEBOSH qualified Health and Safety Manager. An audit by the Health and Safety Executive (HSE) in this period resulted in a positive report on safety standards at Community Transport.
- Fleet management – both qualified Transport Managers completed their refresher training in 2018/2019 and work together to ensure that the fleet is fully compliant. Maintenance providers are reviewed and monitored for quality and value for money on a regular basis.
- Human Resource practices – policies are continually reviewed by a qualified HR professional against legislation to ensure compliance, and to ensure that they are appropriate, consistently applied and proportionate in supporting a strong and committed workforce comprising paid employees, volunteers and work placements.
- Covid-19 - the trustees have reviewed the impact of the pandemic on the charity's income and beneficiaries and are confident that they have plans in place to deal with and mitigate any financial losses that may arise.

CT achieved ISO 9001 status in October 2017 and continues to develop a document management system which allows for a more systematic review of operational policies and practices.

The Trustees believe that all major risks are being mitigated and review the risk register biannually, or more frequently in response to any changes to the major risk areas.

Structure, governance and management

● **Constitution**

Revised memorandum and Articles of Association for the Company were adopted at an EGM on 13 July 2010. In line with the Memorandum and Articles of Association, overall responsibility for the Company's activities is vested in the Board of Trustees, whose members also serve as the Charity's Trustees. The Board is limited to a maximum of 11 members who may serve for up to three consecutive terms of three years each followed by a break of at least one year before seeking re-election.

● **Methods of appointment or election of Trustees**

The Board is responsible for recruiting and identifying new Trustees (and Directors of CML) to support the interests of beneficiaries by virtue of skills, approach, experience, and commitment to the objectives of the Charity. The Board of Trustees is committed to constantly monitoring the numbers of Trustees, and reviews this formally in November each year. Induction training for new Trustees is provided by the Chair, Chief Executive, and other staff members. Trustees are encouraged to champion different aspects of the Charity's strategic interests and to participate in sector specific training and development and events as well as governance training.

COMMUNITY TRANSPORT
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Structure, governance and management (continued)

● **Organisational structure and decision-making policies**

Oversight of the management of finance, capital assets and non-charitable trading vested in CML remains with the full Board of Trustees, however there is provision within the Memorandum and Articles to form a Finance Committee should a requirement be identified to do so. A Finance Committee was formed on 19 February 2019 and oversees the detail of financial management.

Overall responsibility for leadership of the Company is invested in a Chief Executive, who is responsible for business development and implementation of strategy. The Chief Executive leads a Senior Management Team, which includes two Operations Directors, a Head of Finance and two Retail Operations Managers.

Plans for future periods

In the coming year, Community Transport plans to expand its services within the regions within which it already has a presence, building on specific marketing and training strategies to support that. A key focus in the coming year will be on more clearly and separately marketing charitable services and commercial activity, with the latter focussing on generating income to enable our charitable services. For each division the main challenges and opportunities for the coming year are:

CT Furniture services will move to additional and alternative retail shop locations, to compliment the more traditional warehouse sites, building on the success of the furniture shop in Blyth. Office furniture will continue to be marketed online, increasing activity and offering nationwide delivery.

CT Passenger will focus on charitable passenger services aimed at preventing isolation and loneliness and how this will shape how those services will operate as we overcome the restrictions caused by the pandemic that began in this financial year.

CT Training will review its training provision to identify areas where we need to support our own businesses and look for opportunities to expand the offer to external organisations.

COMMUNITY TRANSPORT
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, BHP LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Barry J Yeomans (Oct 9, 2020 17:04 GMT+1)

.....
B J Yeomans

(Chair of Trustees)

Date: 09-Oct-2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY TRANSPORT

Opinion

We have audited the financial statements of Community Transport (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

COMMUNITY TRANSPORT
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY TRANSPORT (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY TRANSPORT (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lesley Kendrew (Senior Statutory Auditor)

for and on behalf of

BHP LLP

New Chartford House

Centurion Way

Cleckheaton

West Yorkshire

BD19 3QB

Date: 20-Oct-2020

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	2,641	374,673	377,314	395,869
Charitable activities	4	2,781,376	749	2,782,125	2,555,102
Investments	5	310	-	310	274
Other income	6	942	-	942	6,292
Total income		2,785,269	375,422	3,160,691	2,957,537
Expenditure on:					
Charitable activities	7	2,600,593	372,675	2,973,268	2,800,468
Total expenditure		2,600,593	372,675	2,973,268	2,800,468
Net movement in funds		184,676	2,747	187,423	157,069
Reconciliation of funds:					
Total funds brought forward		1,481,122	171,612	1,652,734	1,495,665
Net movement in funds		184,676	2,747	187,423	157,069
Total funds carried forward		1,665,798	174,359	1,840,157	1,652,734

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 41 form part of these financial statements.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2118677

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	366,426	448,449
		366,426	448,449
Current assets			
Stocks	13	6,579	8,247
Debtors	14	473,107	465,657
Cash at bank and in hand		1,368,883	1,100,249
		1,848,569	1,574,153
Creditors: amounts falling due within one year	15	(374,838)	(355,312)
Net current assets		1,473,731	1,218,841
Total assets less current liabilities		1,840,157	1,667,290
Creditors: amounts falling due after more than one year	16	-	(14,556)
Total net assets		1,840,157	1,652,734
Charity funds			
Restricted funds	17	174,359	171,612
Unrestricted funds	17	1,665,798	1,481,122
Total funds		1,840,157	1,652,734

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2118677

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Barry J Yeomans

Barry J Yeomans (Oct 9, 2020 17:04 GMT+1)

.....
B J Yeomans

(Chair of Trustees)

Date: 09-Oct-2020

Ian D Kerr

Ian D Kerr (Oct 19, 2020 18:53 GMT+1)

.....
I D Kerr

(Trustee)

The notes on pages 24 to 41 form part of these financial statements.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2118677

COMPANY BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	366,426	448,449
Investments	12	1	1
		<u>366,427</u>	<u>448,450</u>
Current assets			
Stocks	13	6,579	8,247
Debtors	14	753,966	674,620
Cash at bank and in hand		1,084,526	886,620
		<u>1,845,071</u>	<u>1,569,487</u>
Creditors: amounts falling due within one year	15	(374,838)	(355,312)
Net current assets		<u>1,470,233</u>	<u>1,214,175</u>
Total assets less current liabilities		<u>1,836,660</u>	<u>1,662,625</u>
Creditors: amounts falling due after more than one year	16	-	(14,556)
Total net assets		<u><u>1,836,660</u></u>	<u><u>1,648,069</u></u>
Charity funds			
Restricted funds	17	174,359	171,612
Unrestricted funds	17	1,662,301	1,476,457
Total funds		<u><u>1,836,660</u></u>	<u><u>1,648,069</u></u>

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

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(Trustee)

The notes on pages 24 to 41 form part of these financial statements.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
Cash flows from operating activities		
Net cash used in operating activities	301,743	256,715
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	942	6,292
Purchase of tangible fixed assets	(15,800)	(21,231)
Net cash used in investing activities	(14,858)	(14,939)
Cash flows from financing activities		
Repayments of borrowing	(18,251)	(17,714)
Net cash used in financing activities	(18,251)	(17,714)
Change in cash and cash equivalents in the year	268,634	224,062
Cash and cash equivalents at the beginning of the year	1,100,249	876,187
Cash and cash equivalents at the end of the year	1,368,883	1,100,249

The notes on pages 24 to 41 form part of these financial statements

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. General information

The charitable company is a company limited by guarantee. The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Community Transport meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Going concern

The group meets its day to day working capital requirements through its bank current accounts which had funds at 31 March 2020 of £1,368,883. The group's services achieved a positive movement in unrestricted funds of £184,676. The current economic conditions have created an element of uncertainty over demand for the group's services. However the group's forecasts and projections, taking account of reasonably possible changes in trading performance, shows that the group is expected to have a sufficient level of financial resources available for at least the next 12 months and therefore the directors believe that the group is well placed to manage its business risks successfully despite the economic uncertainty. After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

The Trustees have considered the impact of Covid-19 on the Charity's income and beneficiaries, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Trustees are confident that they have plans in place to deal with and mitigate any financial losses that may arise. The Trustees therefore consider that the level of reserves for the charity are adequate. The Trustees continue to adopt the going concern basis of preparation for these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.3 Income

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

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the company's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the company which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 2% straight line basis
Short-term leasehold property	- Over the period of the lease
Motor vehicles	- 20% straight line basis
Fixtures and fittings	- 10% - 25% straight line basis

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.12 Financial instruments

The group 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The charitable company operates a funded pension scheme (see note 22). Employer contributions are charged to the Statement of Financial Activities as incurred.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	-	36,759	36,759
Grants	2,641	337,914	340,555
	<u>2,641</u>	<u>374,673</u>	<u>377,314</u>
	<u>2,641</u>	<u>374,673</u>	<u>377,314</u>

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Donations	-	40,053	40,053
Grants	1,000	354,816	355,816
	<u>1,000</u>	<u>394,869</u>	<u>395,869</u>
	<u>1,000</u>	<u>394,869</u>	<u>395,869</u>

4. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Revenue grants	-	749	749
Service income	2,781,376	-	2,781,376
	<u>2,781,376</u>	<u>749</u>	<u>2,782,125</u>
	<u>2,781,376</u>	<u>749</u>	<u>2,782,125</u>

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

4. Income from charitable activities (continued)

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Revenue grants	-	11,204	11,204
Service income	2,543,898	-	2,543,898
	<u>2,543,898</u>	<u>11,204</u>	<u>2,555,102</u>

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest receivable	310	310

	Unrestricted funds 2019 £	Total funds 2019 £
Bank interest receivable	274	274

6. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £
Profit on sale of tangible fixed assets	942	942

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

6. Other incoming resources (continued)

	Unrestricted funds 2019 £	Total funds 2019 £
Profit on sale of tangible fixed assets	6,292	6,292

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Passenger services	1,206,087	372,675	1,578,762
Furniture services	977,517	-	977,517
Other services	416,989	-	416,989
	<u>2,600,593</u>	<u>372,675</u>	<u>2,973,268</u>

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Passenger services	1,036,165	436,224	1,472,389
Furniture services	955,562	-	955,562
Other services	372,517	-	372,517
	<u>2,364,244</u>	<u>436,224</u>	<u>2,800,468</u>

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

8. Auditors' remuneration

	2020 £	2019 £
Fees payable to the company's auditor for the audit of the company's annual accounts	8,450	8,250

9. Staff costs

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	1,360,543	1,305,562	1,360,543	1,305,562
Social security costs	88,060	77,323	88,060	77,323
Contribution to defined contribution pension schemes	39,617	37,675	39,617	37,675
	1,488,220	1,420,560	1,488,220	1,420,560

The average number of persons employed by the company during the year was as follows:

	Group 2020 No.	Group 2019 No.
Total	100	98

The average headcount expressed as full-time equivalents was:

	Group 2020 No.	Group 2019 No.	Company 2020 No.	Company 2019 No.
Passenger services	30	35	30	35
Furniture services	16	15	16	15
Training services	1	2	1	2
Administration and support	20	17	20	17
	67	69	67	69

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

9. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	1	1

Much of the work of the charitable company is carried out by a pool of volunteer and trainee drivers, assistants, administrators and supporters. Much of the work of the charitable company would be impossible without the generous gift of time, effort and commitment which voluntary workers provide.

In March 2020, the charitable company had around 70 volunteers, excluding those who give their time on steering groups, Partnership Groups and the Board itself. Around 1 in 4 hours worked for the charitable company is unpaid.

Key Management Personnel Remuneration

The key management personnel of the parent charity during the year to 31 March comprised the Chief Executive, Operations Director North, Operations Director South, Head of Finance, Regional Business Development Manager South and Regional Business Development Manager North.

Total compensation of key management personnel in the year amounted to £286,051 (2019 - £267,629).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 March 2020, expenses totalling £1,039 were reimbursed or paid directly to 2 Trustees (2019 - £214 to 1 Trustee).

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

11. Tangible fixed assets

Group and Company

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
<i>Cost or valuation</i>					
At 1 April 2019	493,634	21,939	951,721	129,221	1,596,515
Additions	-	-	15,800	-	15,800
Disposals	-	(3,940)	(114,686)	-	(118,626)
At 31 March 2020	493,634	17,999	852,835	129,221	1,493,689
<i>Depreciation</i>					
At 1 April 2019	227,496	21,633	797,926	101,011	1,148,066
Charge for the year	9,992	306	73,394	14,131	97,823
On disposals	-	(3,940)	(114,686)	-	(118,626)
At 31 March 2020	237,488	17,999	756,634	115,142	1,127,263
<i>Net book value</i>					
At 31 March 2020	256,146	-	96,201	14,079	366,426
At 31 March 2019	266,138	306	153,795	28,210	448,449

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

12. Fixed asset investments

	Investments in subsidiary companies £
<i>company</i>	
<i>Cost or valuation</i>	
At 1 April 2019	1
	<hr/>
<i>At 31 March 2020</i>	1
	<hr/> <hr/>
<i>Net book value</i>	
<i>At 31 March 2020</i>	1
	<hr/>
<i>At 31 March 2019</i>	1
	<hr/> <hr/>

Principal subsidiaries

The following was a subsidiary undertaking of the company:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Community Minibuses Limited	04125371	2nd Floor Parkview House, Woodvale Road, HD6 4AB.	Ordinary	100%

The financial results of the subsidiary for the period were:

Name	Income £	Expenditure £	Profit/(Loss) for the period £	Net assets £
Community Minibuses Limited	44,020	(45,188)	(1,168)	3,498

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

13. Stocks

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Stocks	6,579	8,247	6,579	8,247

14. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
<i>Due within one year</i>				
Trade debtors	200,463	207,520	200,463	207,520
Amounts owed by group undertakings	-	-	280,859	208,963
Other debtors	55,370	86,132	55,370	86,132
Prepayments and accrued income	217,274	172,005	217,274	172,005
	473,107	465,657	753,966	674,620

15. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans	14,026	17,721	14,026	17,721
Trade creditors	221,705	198,821	221,705	198,821
Other taxation and social security	19,420	22,282	19,420	22,282
Other creditors	7,461	7,225	7,461	7,225
Accruals and deferred income	112,226	109,263	112,226	109,263
	374,838	355,312	374,838	355,312

The loan is repayable over 15 years from January 2006 in installments that are calculated to pay off the capital and interest over that period. The interest rate fluctuates at 2% over bank base rate and at 31 March 2020 was 2.1%. The loan is secured on a freehold property owned by the Charitable Company. The purpose of the loan was to assist in the purchase and refurbishment of units 17 & 18 Barton Park, Bilston.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

16. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans	-	14,556	-	14,556

17. Statement of funds

Group statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
<i>Unrestricted funds</i>					
<i>Designated funds</i>					
Designated capital fund	364,477	-	-	(69,477)	295,000
<i>General funds</i>					
Revenue funds	1,111,980	2,741,249	(2,555,405)	69,477	1,367,301
Retained in subsidiary	4,665	44,020	(45,188)	-	3,497
	1,116,645	2,785,269	(2,600,593)	69,477	1,370,798
<i>Total Unrestricted funds</i>	1,481,122	2,785,269	(2,600,593)	-	1,665,798
<i>Restricted funds</i>					
Capital grants	171,612	25,000	(22,253)	-	174,359
Sandwell MBC - Adult and Community Services	-	312,914	(312,914)	-	-
Other	-	37,508	(37,508)	-	-
	171,612	375,422	(372,675)	-	174,359
<i>Total of funds</i>	1,652,734	3,160,691	(2,973,268)	-	1,840,157

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2020

17. Statement of funds (continued)

Group statement of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Balance at 31 March 2019 £
Unrestricted funds				
Designated funds				
Designated capital fund	364,477	-	-	364,477
General funds				
Revenue funds	924,542	2,488,053	(2,300,615)	1,111,980
Retained in subsidiary	4,883	63,411	(63,629)	4,665
	929,425	2,551,464	(2,364,244)	1,116,645
Total Unrestricted funds	1,293,902	2,551,464	(2,364,244)	1,481,122
Restricted funds				
Capital grants	201,763	-	(30,151)	171,612
Oldham MBC	-	45,000	(45,000)	-
Sandwell MBC - Adult and Community Services	-	309,816	(309,816)	-
Other	-	51,257	(51,257)	-
	201,763	406,073	(436,224)	171,612
Total of funds	1,495,665	2,957,537	(2,800,468)	1,652,734

Capital grants relate to grants received to assist with the purchase of vehicles.

Oldham MBC relates to grants received to assist with providing passenger services in the North West.

Sandwell MBC relates to grants received to assist with providing services in the Midlands.

Other relates to smaller restricted income received to assist with providing the core services of the charity.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

18. Analysis of net assets between funds

Group analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	192,067	174,359	366,426
Current assets	1,848,569	-	1,848,569
Creditors due within one year	(374,838)	-	(374,838)
Total	1,665,798	174,359	1,840,157

Group analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	276,837	171,612	448,449
Current assets	1,574,153	-	1,574,153
Creditors due within one year	(355,312)	-	(355,312)
Creditors due in more than one year	(14,556)	-	(14,556)
Total	1,481,122	171,612	1,652,734

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

19. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net income for the period (as per Statement of Financial Activities)	187,423	157,069
Adjustments for:		
Depreciation charges	97,823	107,292
Profit on the sale of fixed assets	(942)	(6,292)
Decrease/(increase) in stocks	1,668	(7,247)
Increase in debtors	(7,450)	(83,803)
Increase in creditors	23,221	89,696
Net cash provided by operating activities	301,743	256,715

20. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	1,368,883	1,100,249
Total cash and cash equivalents	1,368,883	1,100,249

21. Analysis of changes in net debt

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	1,100,249	268,634	1,368,883
Debt due within 1 year	(17,721)	3,695	(14,026)
Debt due after 1 year	(14,556)	14,556	-
	1,067,972	286,885	1,354,857

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

22. Pension commitments

Community Transport participates in The Pensions Trust's Growth Plan ('the Plan'). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan.

Community Transport paid contributions at the rate of 6% during the year. Participating members are not required to contribute but can contribute AVC's. Total contributions for the year amounted to £39,617 (2019 - £37,675).

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multiemployer scheme, where the total assets are aggregated for investment purposes, and benefits are paid out of the Plan's total assets.

At 31 March 2020, the Charitable Company had outstanding pension contributions of £nil (2019 - £nil).

The Director commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Director the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met.

The valuation results at 30 September 2018 were completed in 2019 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The valuation revealed a shortfall of assets compared with a value of liabilities of £113m, equivalent to a funding level of 87%. Based upon the preliminary valuation, no additional contributions will be payable by Community Transport.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to the employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Community Transport has been notified by The Pensions Trust of the estimated employer debt of £121,346 (2019 - £126,066) on withdrawal from the Plan based on the financial position of the Plan as at 31 March 2020. This amount is treated as a contingent liability.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

23. Operating lease commitments

At 31 March 2020 the group and the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Not later than 1 year	262,612	180,428	262,612	180,428
Later than 1 year and not later than 5 years	365,820	280,057	365,820	280,057
Later than 5 years	-	10,000	-	10,000
	628,432	470,485	628,432	470,485

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Operating lease rentals	411,512	316,593	411,512	316,593

24. Related party transactions

The charitable company has no related party transactions to report in either year.

BHP LLP
New Chartford House
Centurion Way
Cleckheaton
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BD19 3QB



Community Transport

2nd Floor
Parkview House
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t: 01484 977226
e: info@communitytransport.org
w: www.communitytransport.org

Dear Sirs

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the charitable company's financial statements for the year ended 31 March 2020. These enquiries have included inspection of supporting documentation where appropriate. All representations are made to the best of our knowledge and belief.

General

- 1 We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 28 November 2017 under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
- 2 All the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records.
- 3 All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the charitable company, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission.
- 4 The financial statements are free of material misstatements, including omissions.
- 5 The effects of uncorrected misstatements (as set out in the audit findings report) are immaterial both individually and in total.
- 6 We confirm that none of the trustees had a beneficial interest in any contract to which the charitable company was party during the year.
- 7 All additions to, and disposals of fixed assets have been properly accounted for.

We confirm the depreciation rates of:

Freehold property	-	2% straight line basis
Leasehold property	-	Over the period of the lease
Motor vehicles	-	20% straight line basis
Fixtures and fittings	-	10% - 25% straight line basis.

Going concern

20 We believe that the charitable company's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

21 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each trustee has taken all the steps that he ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

Barry J Yeomans

Barry J Yeomans (Oct 9, 2020 17:04 GMT+1)

.....
B J Yeomans

Signed on behalf of the board of trustees

09-Oct-2020

.....
Date











Community Transport Y.e. 31/03/20 - Approval Documents

Final Audit Report

2020-10-20

Created:	2020-10-01
By:	Neil Baldwin (neil.baldwin@bhp.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAA-ju5H35YGYtYN-0NZnlxLeLu1blAvN8a

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