

**HALTON COMMUNITY TRANSPORT**  
**A COMPANY LIMITED BY GUARANTEE**  
**TRUSTEES' REPORT AND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
  
**for the year ended**  
**31st March 2022**

**Company Registration Number 02884986**  
**Charity Number 1080333**

**HALTON COMMUNITY TRANSPORT  
A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2022**

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**HALTON COMMUNITY TRANSPORT  
A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2022**

**Members of the Board and professional advisors**

**Chairman** D Inch

**Treasurer** C Inch

**The board of trustees**

**Elected Trustees** C Inch  
D Inch  
M A Hodgkinson  
D L Masheder  
J F Sheehan

**Co-opted Trustees (non voting)** H Haddock - Council Officer  
**-Halton Borough Council** J Briggs – Council Officer  
**Representatives** Cllr M Fry - Councillor

**Company secretary** M S Arnold

**Registered office** 33 Ditton Road  
Widnes  
Cheshire  
WA8 0PP

**Auditors** Mitchell Charlesworth (Audit) Limited  
Chartered Accountants & Registered Auditors  
Glebe Business Park  
Lunts Heath Road  
Widnes  
Cheshire  
WA8 5SQ

**Bankers** H.S.B.C Bank plc  
48 High Street  
Runcorn  
Cheshire  
WA7 1AN

**Solicitors** Butcher and Barlow LLP  
High Street  
Runcorn  
Cheshire  
WA7 1AW

# **HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2022**

The Trustees are pleased to present their report together with the financial statements of the group for the year ending 31st March 2022.

### **Reference and administrative details**

Charity number: 1080333  
Company Number: 02884986

The Members of the board and professional advisors information set out on page 1 forms part of this report. The financial statements comply with the current statutory requirements, the Memorandum and Articles of Association and the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts with the financial reporting standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2019). The directors of the charitable group (the group) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

### **Governing Document**

Halton Community Transport is a company limited by guarantee governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission.

### **Organisation**

A board of trustees who meet monthly administers the group. The manager, M S Arnold, is appointed to manage and develop the operations of the group.

Details of trustees who served during the period and since the period end are set out on page 1.

Members of the Management Committee elect from amongst their own number of honorary officers to include a Chairperson and Treasurer and may at any time remove or replace such officers. Officers shall serve for one year, after which they shall be eligible for re-appointment provided that no person serves more than five consecutive years in the same officer post.

### **Related Parties**

The charity has a 100% owned subsidiary Extra Mile Transport Company Limited, which is incorporated in England. The principal activity of the company is the servicing of vehicles, training and the provision of fuel. This company was set up so that the charity could service its own vehicles and to provide revenue to assist with the running costs of the charity.

The charity has a close relationship with Halton Borough Council who provide core funding to support the aims of the charity in providing safe affordable transport for elderly, disabled and vulnerable residents and community groups within Halton.

### **Risk Management**

The trustees have a risk management strategy which comprises:

- A review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks identified

# HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2022

### Objectives and activities

The objectives of the charity are to provide relief to the inhabitants of the Borough of Halton and its environs who have need because of age, learning or physical disability, or poverty, in particular but not so as to limit the generality of the foregoing: -

- to provide and maintain non-profit community transport services and
- to assist the charitable work of organisations and bodies engaged in the promoting and relief of such persons through the provision of appropriate services.

<b>Achievements and performance</b> <b>Passenger trips</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2019/20</b>	<b>2018/19</b>	<b>2017/18</b>	<b>2016/17</b>
Safe Evening Transport	0	0	4,204	4,632	4,766	4,866
Dial a Ride (inc Merseylink)	23,062	5,833	70,094	57,864	57,634	35,970
Community Buses (inc Schools)	36,856	14,640	61,344	59,304	57,856	71,256
<b>Total Passenger Trips</b>	<b>59,918</b>	<b>20,473</b>	<b>135,642</b>	<b>121,800</b>	<b>120,256</b>	<b>112,092</b>
Vehicles	25	26	24	26	25	24
Staff Employed	17	15	15	16	17	17
Volunteers	40	43	48	48	47	49

This was a difficult post COVID Year with a slow return to normality, but HCT managed to Phoenix successfully and continue to thrive and serve the community of Halton and the greater Liverpool City Region.

One ex-Halton BC Fleet vehicle was introduced to the Halton CT fleet during the year, and 2 were disposed of bringing fleet levels to 25 with a plan to reduce to around 20 by end of 2022/23.

Halton Borough Council continues to support HCT via its 'Dial A Ride' support funding which remained at £60,630 pa for its final year as we have been informed of a 50% reduction in the next financial year. School contract work and the numbers of SEN School Contracts remain strong and have increased to full capacity for us, however more children continue to travel to school in small private hire vehicles.

# **HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2022**

The Service Level Agreement backed DAR support payments which replaced our traditional Core funding many years ago continues to be incredibly important as it is the fabric which holds the Charity together. This is the foundation that underpins HCT and our only stable and secure income, now destined to be reduced by 50% as the harder times start to bite.

HCT took full advantage of the Government Employment Protection Scheme (Furlough Funding) and then the Flexible-Furlough Scheme which has also added greatly to our financial stability throughout the pandemic. This also meant we lost no staff or volunteers and all our staff received 100% pay at all times.

Our relationship with Halton Borough Council continues to be strong with “arm’s length” advice and support being offered. We continue to operate some Halton BC special educational need transport contracts as part of our local value service delivery and we continue to look to the needs of the greater Liverpool City Region, especially in neighbouring Authorities.

Our trading subsidiary The Extra Mile Transport Company Limited did have increased activity this year and subsequently turnover increased as did its donation to HCT, there was also some further investment in the Garage to ensure its growth.

The regular business we have built up over recent years remains good and investment in equipment appears to be paying off. We are continuing to refocus the Extra Mile and need to make investment in its future with new staff, tools and equipment in an attempt to stay ahead of market changes.

The Management and Trustees remain mindful of the need to deliver good Community Transport services to the borough’s residents and will remain focused on these core values. The sustainability of Halton Community Transport and our ongoing responsibility to our customers, volunteers and staff are key to our decision making.

### **Investments powers and policy**

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish.

The trustees, having regard to the liquidity requirements of operating the charity and to the reserves policy have operated a policy of keeping available funds in an interest bearing account and seek to achieve a rate of interest which matches or exceeds inflation as measured by the retail prices index.

### **Reserves policy**

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months unrestricted expenditure. This provides sufficient funds to cover management and administration and charitable expenditure. Unrestricted funds are at an adequate level at the year end.

# **HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2022**

### **Reserves policy (continued)**

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves at the level stated above, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks which the charity faces and confirm that systems have been established to mitigate the significant risks.

The trustees review performance both financial and operational, at their monthly meetings.

### **Plans for future periods**

HCT can only hope that the DfT remain supportive of CT operation and that any future proposed changes to CT Operation are sympathetic. We hope to continue to operate special needs school contracts and Dial A Ride as part of our continued development and move towards the 'Liverpool City Region' to expand our Regional Dial A Ride Operation Merseylink.

HCT recognises that the next financial year may be vital for the whole of the CT Sector and UK economy in general as increased living costs and economic losses are driving more and more people into transport poverty and loneliness.

We hope to continue to build on the Liverpool City Region strategic partnership work we have been doing in Dial A Ride and specialist transport services.

### **Results**

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

### **Volunteers**

The charity is grateful for the efforts of its volunteers who act as drivers, administration staff, passenger assistants and Board Members. Even during the worst Pandemic in recorded history some 19,712 volunteer hours were provided during the year with a value of £295,680 (Halton average earnings figures of £15 per hour ONS 2022) to the organisation and the Halton economy demonstrating the continued importance of our services.

### **The Trustees**

The Trustees who served the company during the year were as stated on page 1.

**HALTON COMMUNITY TRANSPORT  
A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2022**

**Auditors**

A resolution to re-appoint Mitchell Charlesworth (Audit) Limited as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 487(2) of the Companies Act 2006.

Registered office:

33 Ditton Road  
Widnes  
Cheshire  
WA8 0PP

Signed by order of the  
Trustees

A handwritten signature in black ink, appearing to read 'M S Arnold', written over a light blue circular stamp.

M S Arnold  
Company secretary

Approved by the trustees on 23 December 2022



**HALTON COMMUNITY TRANSPORT  
A COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31ST  
MARCH 2022**

**Trustees' responsibilities in relation to the financial statements**

The trustees (who are also the directors of Halton Community Transport for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources including the income and expenditure of the charitable company 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 in the Charities SORP 2019 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information, and to establish that the auditor is aware of that information.

# Mitchell Charlesworth (Audit) Limited

Chartered Accountants  
Glebe Business Park Lunts Heath Road Widnes Cheshire

## **HALTON COMMUNITY TRANSPORT LIMITED A COMPANY LIMITED BY GUARANTEE**

### **Independent Auditor's Report to the Members of Halton Community Transport Limited Year ended 31 March 2022**

#### **Opinion**

We have audited the financial statements of Halton Community Transport Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022. 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 parent charitable company's affairs as at 31 March 2022, 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.

#### **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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 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.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's 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.

### **Opinions 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; and
- the directors' 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **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 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.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and under section 144 of the charities Act 2011 and report in accordance with this Act and relevant regulations made or having effect thereunder.

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 auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the companies own assessment of the risks that irregularities may occur either as a result of fraud or error. Results of our enquiries of management about their own identification and assessment of the risks and irregularities. Any matters we identified having obtained and reviewed the companies documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance. Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud and the internal procedures and controls established to mitigate risks of fraud or non-compliance with laws and regulations. The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. We considered the opportunities and incentives that may exist within the company for fraud might occur in the financial statements and any potential indicators of fraud.

We also obtained an understanding of the legal and regulatory framework that the company operates in. The key laws and regulations we considered in this context included: Companies Act 2006, Charity SORP 2019, Employment Law, Public Service Vehicle Operator Licenses and Health and Safety at Work Act.

### **Audit response to risks identified**

Our procedures to respond to the risks identified included enquiry of management, those charged with governance around actual and potential litigation and claims, reviewing minutes of meetings of those charged with governance. Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations. Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's 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 in accordance. 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 auditor's 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed



Robert Davies F. C. A. (Senior Statutory Auditor)  
MITCHELL CHARLESWORTH (AUDIT) LIMITED  
Chartered Accountants  
Statutory Auditor

Glebe Business Park  
Lunts Heath Road  
Widnes  
Cheshire  
WA8 5SQ

23 December 2022

**HALTON COMMUNITY TRANSPORT  
A COMPANY LIMITED BY GUARANTEE**

**Consolidated Statement of Financial Activities (including income and expenditure account)**

**Year ended 31<sup>st</sup> March 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 <sup>st</sup> March 2022 £	Total Funds Year to 31 <sup>st</sup> March 2021 £
<b>Incoming resources</b>					
<i><b>Incoming resources from generated funds</b></i>					
<i>Activities for generating funds</i>					
Commercial trading operations		112,974	-	112,974	67,635
Investment income	5	<u>21</u>	<u>-</u>	<u>21</u>	<u>5</u>
		112,995	-	112,995	67,640
<i><b>Incoming resources from charitable activities:</b></i>					
Donations		5	-	5	-
Operation of transport services	6	<u>536,029</u>	<u>-</u>	<u>536,029</u>	<u>628,496</u>
<b>Total incoming resources</b>		<u>649,029</u>	<u>-</u>	<u>649,029</u>	<u>696,136</u>
<b>Resources expended</b>					
<i><b>Costs of generating funds:</b></i>					
Commercial trading operations		35,869	-	35,869	19,193
Investment management costs		<u>2,409</u>	<u>-</u>	<u>2,409</u>	<u>1,914</u>
Sub total cost of generating funds		38,278	-	38,278	21,107
<i><b>Charitable activities:</b></i>					
Operation of transport services	7	723,973	-	723,973	599,416
<i><b>Governance costs</b></i>	9	8,420	-	8,420	8,205
<b>Total resources expended</b>		<u>770,671</u>	<u>-</u>	<u>770,671</u>	<u>628,728</u>
<b>Net incoming/(outgoing) resources before transfers</b>					
		(121,642)	-	(121,642)	67,408
Gross transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		(121,642)	-	(121,642)	67,108
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>502,661</u>	<u>-</u>	<u>502,661</u>	<u>435,253</u>
Total funds carried forward		<u>381,019</u>	<u>-</u>	<u>381,019</u>	<u>502,661</u>

The group has no recognised gains or losses other than the results for the year as set out above.

There were no acquisitions in the current or previous year, and all of the activities of the charity are classed as continuing.

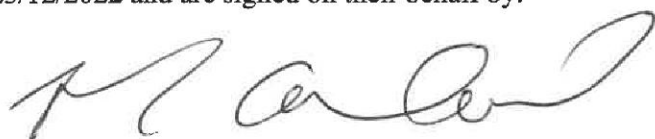
**HALTON COMMUNITY TRANSPORT  
A COMPANY LIMITED BY GUARANTEE**

**Consolidated Balance Sheet as at 31<sup>st</sup> March 2022**

		<b>Group 31<sup>st</sup> March 2022</b>	<b>Group 31<sup>st</sup> March 2021</b>	<b>Charity 31<sup>st</sup> March 2022</b>	<b>Charity 31<sup>st</sup> March 2021</b>
<b>Fixed assets</b>					
Tangible assets	15	256,088	281,668	255,967	281,475
Investments		<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
		<b>256,088</b>	<b>281,668</b>	<b>255,968</b>	<b>281,476</b>
<b>Current assets</b>					
Stocks	16	4,501	3,611	4,501	3,611
Debtors	17	61,843	51,428	76,359	66,124
Cash at bank and in hand		122,313	201,252	109,278	172,069
		<u>188,657</u>	<u>256,291</u>	<u>190,138</u>	<u>241,804</u>
<b>Creditors: Amounts falling due within one year</b>	18	<u>50,218</u>	<u>35,298</u>	<u>45,528</u>	<u>27,571</u>
<b>Net current assets</b>		<b>138,439</b>	<b>220,993</b>	<b>144,610</b>	<b>214,233</b>
<b>Total assets less current liabilities</b>		<b>394,527</b>	<b>502,661</b>	<b>400,578</b>	<b>495,709</b>
<b>Creditors: Amounts falling due after more than one year</b>	19	<u>13,508</u>	<u>-</u>	<u>13,508</u>	<u>-</u>
<b>Net assets</b>		<b>381,019</b>	<b>502,661</b>	<b>387,070</b>	<b>495,709</b>
<b>The funds of the charity</b>					
Restricted income funds	20	-	-	-	-
Unrestricted income funds					
General fund		296,611	415,500	302,662	408,548
Designated fixed asset fund		<u>84,408</u>	<u>87,161</u>	<u>84,408</u>	<u>87,161</u>
<b>Total charity funds</b>		<b>381,019</b>	<b>502,661</b>	<b>387,070</b>	<b>495,709</b>

The accounts have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime.

These financial statements were approved by the members of the committee and authorised for issue on the 23/12/2022 and are signed on their behalf by:



M Arnold  
Company secretary and CEO



# **HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE**

## **Notes to the Financial Statements**

### **1. Accounting Policies**

#### **Basis of Preparation**

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS102”), “Accounting and Reporting by Charities” the Statement of Recommended Practice for Charities applying FRS102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2019. Halton Community Transport is a Public Benefit Entity as defined by FRS102. The principal accounting policies adopted in the preparation of the financial statements are set out below.

These financial statements consolidate the results of the charity and its wholly owned subsidiary Extra Mile Transport Company Limited on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP 2005.

#### **Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Cash Flow Statement**

The Trustees have taken advantage of the provisions in the SORP for charities applying FRS102 Update Bulletin 1 not to prepare a statement of Cash Flow.

#### **Incoming resources**

Voluntary income including donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from commercial trading activities is recognised on a recoverable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support provision of specific transport services and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

# **HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE**

## **Notes to the Financial Statements**

### **Volunteers and donated services and facilities**

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the trustee's annual report.

### **Resources expended**

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that result in the payment being unavoidable.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the provision of transport services.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

### **Tangible fixed assets**

Individual fixed assets costing £100 or more are capitalised at cost.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

<b>Asset Category</b>	<b>Annual rate</b>
Freehold Property	2%
Fixtures, Fittings & Equipment	15%
Motor Vehicles	20%

### **Stock**

Stock is included at the lower of cost or net realisable value.

### **Funds structure**

The Charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. These are available for use at the trustee's discretion in furtherance of the general objectives of the charity.

Included within the unrestricted funds are designated funds which are funds that have been set aside for specific purposes.

### **Pension costs**

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are written off against profits in the year they are payable.



# HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

## Notes to the Financial Statements

### Finance and operating leases

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the SOFA on a straight line basis and the capital element which reduces the outstanding obligation for future instalments.

### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### Grants receivable

Grants receivable are included on an accruals basis.

## 2. Legal status of the charity

The Charity is a company limited by guarantee and has no share capital. The members of the company are the Trustees named on page 1. The liability of each member in the event of winding up is limited to £1.

## 3. Financial activities of the charity

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary, Extra Mile Transport Company Limited.

A summary of the financial activities undertaken by the charity is set out below:

	2022	2021
	£	£
<b>Gross incoming resources</b>	<b>619,537</b>	671,285
Total expenditure on charitable activities	(721,747)	(597,237)
Investment costs	(259)	(363)
Governance costs	<u>(6,170)</u>	<u>(6,205)</u>
<b>Net incoming/(outgoing) resources</b>	<b>(108,639)</b>	67,480
Total funds brought forward	<u>495,709</u>	428,229
<b>Total funds carried forward</b>	<b><u>387,070</u></b>	<u>495,709</u>
<b>Represented by:</b>		
Restricted income funds	-	-
Unrestricted income funds	<u>387,070</u>	<u>495,709</u>
	<b><u>387,070</u></b>	<u>495,709</u>

# **HALTON COMMUNITY TRANSPORT** **A COMPANY LIMITED BY GUARANTEE**

## **Notes to the Financial Statements**

### **4. Incoming resources from activities for generating funds**

The wholly owned trading subsidiary Extra Mile Transport Company Limited, which is incorporated in the United Kingdom, pays all but a small proportion of its profits to the charity by donation. The subsidiary is used for non-primary trading purposes.

The trading results of the subsidiary are summarised below.

	2022	2021
	£	£
<b>Turnover</b>	<b>112,974</b>	67,635
Cost of sales and administration costs	<u>(42,495)</u>	<u>(24,923)</u>
<b>Net profit</b>	<b>70,479</b>	42,712
Amount gift aided to charity	<u>(83,494)</u>	<u>(42,784)</u>
Taxation	-	-
Interest received	<u>12</u>	-
Retained in subsidiary	<u>(13,003)</u>	<u>(72)</u>
 <b>The assets and liabilities of the subsidiary were:</b>		
Fixed assets	121	193
Current assets	13,215	29,183
Current liabilities	<u>(19,386)</u>	<u>(22,423)</u>
Total net assets	<u>(6,050)</u>	<u>6,953</u>
 <b>Aggregate share capital and reserves</b>	 <u><b>(6,050)</b></u>	 <u>6,953</u>

The above results include the trade with Halton Community Transport.

Cost of sales includes expenditure incurred by Halton Community Transport on behalf of Extra Mile Transport Company Limited of £nil (2021: £nil).

A balance of £14,696 (2021: £14,696) was due from Extra Mile Transport Company Limited at the year end to Halton Community Transport.

### **5. Investment Income**

All of the group's investment income arises from an interest bearing deposit account.

**HALTON COMMUNITY TRANSPORT**  
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**Notes to the Financial Statements**

**6. Incoming resources from charitable activities**

The income was primarily from the operation of the transport services.

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Grants	-	-	-	97,082
Fares	115,883	-	115,883	90,318
Council contracts	137,024	-	137,024	85,479
Mersey link	233,621	-	233,621	209,209
CJRS income	47,251	-	47,251	145,433
Profit on disposal of fixed assets	<u>2,250</u>	<u>-</u>	<u>2,250</u>	<u>975</u>
	<u>536,029</u>	<u>-</u>	<u>536,029</u>	<u>628,496</u>

**7. Costs of charitable activities by fund type**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2022 £</b>	<b>Total Funds 2021 £</b>
Direct charitable activity	648,711	-	648,711	524,012
Support costs	<u>75,262</u>	<u>-</u>	<u>75,262</u>	<u>75,404</u>
	<u>723,973</u>	<u>-</u>	<u>723,973</u>	<u>599,416</u>

**8. Costs of charitable activities by activity type**

	<b>Activities undertaken directly £</b>	<b>Support costs £</b>	<b>Total Funds 2022 £</b>	<b>Total Funds 2021 £</b>
Direct charitable activity	<u>648,711</u>	<u>75,262</u>	<u>723,973</u>	<u>599,416</u>

**9. Governance costs**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2022 £</b>	<b>Total Funds 2021 £</b>
Audit and accountancy	<u>8,420</u>	<u>-</u>	<u>8,420</u>	<u>8,205</u>

**HALTON COMMUNITY TRANSPORT  
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**Notes to the Financial Statements**

**10. Directors' emoluments**

The following payments were made by the subsidiary company in respect of qualifying services:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Aggregate emoluments	<b>-</b>	<b>-</b>

**11. Analysis of staff costs**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries and wages	<b>359,503</b>	326,428
Social security costs	<b>23,333</b>	22,697
Pension costs	<b>9,173</b>	8,895
	<b><u>392,009</u></b>	<b><u>358,020</u></b>

No employee received remuneration of more than £60,000.

The charity contributes to a personal pension plan on behalf of its employees. No contributions were payable to the fund at 31<sup>st</sup> March 2022 (2021: £Nil).

**12. Staff numbers**

The average number of full-time equivalent employees (including casual and part time staff) during the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Charitable activities	<b>12</b>	13
Management and administration	<b>4</b>	3
	<b><u>16</u></b>	<b><u>16</u></b>

**13. Movement in total funds for the year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	<b>61,574</b>	64,568
Depreciation of fixed assets held under hire purchase agreements	<b>12,600</b>	4,900
Auditor's remuneration:		
External audit	<b>8,420</b>	8,205
Other audit services	<b>1,500</b>	1,500
Other services	<b>2,919</b>	3,205

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**Notes to the Financial Statements**

**14. Taxation**

The company is a registered charity and no provision is considered necessary for taxation. The trading subsidiary had no corporation tax liability (2021 - £Nil).

**15. Tangible fixed assets – group**

	<b>Freehold Property £</b>	<b>Fixtures, Fittings &amp; Equipment £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>				
At 1st April 2021	158,437	116,382	834,132	1,108,951
Additions	-	8,582	40,012	48,594
Disposals	-	-	(31,045)	(31,045)
<b>At 31st March 2022</b>	<b><u>158,437</u></b>	<b><u>124,964</u></b>	<b><u>843,099</u></b>	<b><u>1,126,500</u></b>
<b>Depreciation</b>				
At 1st April 2021	58,371	102,411	666,501	827,283
Charge for the year	3,167	4,621	66,386	74,174
Released on disposals	-	-	(31,045)	(31,045)
<b>At 31st March 2022</b>	<b><u>61,538</u></b>	<b><u>107,032</u></b>	<b><u>701,482</u></b>	<b><u>870,412</u></b>
<b>Net book value</b>				
<b>At 31st March 2022</b>	<b><u>96,899</u></b>	<b><u>17,932</u></b>	<b><u>141,257</u></b>	<b><u>256,088</u></b>
At 31st March 2021	<u>100,066</u>	<u>13,971</u>	<u>167,631</u>	<u>281,668</u>

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**Notes to the Financial Statements**

**15 cont.....**

**Tangible fixed assets – Charity**

	<b>Freehold Property £</b>	<b>Fixtures, Fittings &amp; Equipment £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>				
At 1st April 2021	158,437	101,376	834,132	1,093,945
Additions	-	8,582	40,012	48,594
Disposals	-	-	(31,045)	(31,045)
<b>At 31st March 2022</b>	<b><u>158,437</u></b>	<b><u>109,958</u></b>	<b><u>843,099</u></b>	<b><u>1,111,494</u></b>
<b>Depreciation</b>				
At 1st April 2021	58,371	87,598	666,501	812,470
Charge for the year	3,167	4,549	66,386	74,102
Released on disposals	-	-	(31,045)	(31,045)
<b>At 31st March 2022</b>	<b><u>61,538</u></b>	<b><u>92,147</u></b>	<b><u>701,842</u></b>	<b><u>855,527</u></b>
<b>Net book value</b>				
<b>At 31st March 2022</b>	<b><u>96,899</u></b>	<b><u>17,811</u></b>	<b><u>141,257</u></b>	<b><u>255,967</u></b>
At 31st March 2021	<u>100,066</u>	<u>13,971</u>	<u>167,631</u>	<u>281,475</u>

The net book value of assets held on hire purchase at the year end was £32,433 (2021: £6,533) and the depreciation charge for the year was £12,600 (2021: £4,900).

**16. Stocks**

	<b>Group 2022 £</b>	<b>2021 £</b>	<b>Charity 2022 £</b>	<b>2021 £</b>
Stocks	<u>4,501</u>	<u>3,611</u>	<u>4,501</u>	<u>3,611</u>

**17. Debtors**

	<b>Group 2022 £</b>	<b>2021 £</b>	<b>Charity 2022 £</b>	<b>2021 £</b>
Trade debtors	18,976	10,965	18,796	10,965
Amounts due from subsidiary undertaking	-	-	14,696	14,696
Other debtors	<u>42,867</u>	<u>40,463</u>	<u>42,867</u>	<u>40,463</u>
	<b><u>61,843</u></b>	<b><u>51,428</u></b>	<b><u>76,359</u></b>	<b><u>66,124</u></b>

**HALTON COMMUNITY TRANSPORT  
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**Notes to the Financial Statements**

**18. Creditors: amounts falling due within one year**

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	6,170	10,244	6,170	9,310
Other taxes and social security costs	9,389	11,514	6,849	8,621
Hire purchase agreements	3,744	2,947	3,744	2,947
Other creditors and accruals	<u>30,915</u>	<u>10,593</u>	<u>28,765</u>	<u>6,693</u>
	<u>50,218</u>	<u>35,298</u>	<u>45,528</u>	<u>27,571</u>

The following liabilities disclosed under creditors falling due within one year are secured against the assets to which they relate:

	2022	2021
	£	£
Hire purchase agreements	<u>3,744</u>	<u>2,947</u>

**19. Creditors: amounts falling due after more than one year**

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Hire purchase agreements	<u>13,508</u>	<u>-</u>	<u>13,508</u>	<u>-</u>

There are no amounts falling due in more than five years in respect of hire purchase agreements.

The following liabilities disclosed under creditors falling due after more than one year are secured against the assets to which they relate:

	2022	2021
	£	£
Hire purchase agreements	<u>13,508</u>	<u>-</u>

**20. Analysis of charitable funds**

**Analysis of unrestricted fund movements**

Group	Fund at 31 <sup>st</sup> March 2021	Incoming resources	Resources expended	Transfers	Fund at 31 <sup>st</sup> March 2022
	£	£	£	£	£
General fund	415,500	649,029	(767,918)		296,611
Designated fixed asset Fund	<u>87,161</u>	<u>-</u>	<u>(2,753)</u>	<u>-</u>	<u>84,408</u>
Total	<u>502,661</u>	<u>649,029</u>	<u>(770,671)</u>	<u>-</u>	<u>381,019</u>

**HALTON COMMUNITY TRANSPORT  
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**Notes to the Financial Statements**

**20. cont.**

Charity	Fund at 31 <sup>st</sup> March 2020 £	Incoming Resources £	Resources expended £	Transfers £	Fund at 31 <sup>st</sup> March 2021 £
General fund	345,339	696,136	(625,975)	-	415,500
Designated fixed asset Fund	89,914	-	(2,753)	-	87,161
<b>Total</b>	<b><u>435,253</u></b>	<b><u>696,136</u></b>	<b><u>(628,728)</u></b>	<b><u>-</u></b>	<b><u>502,661</u></b>

**Fixed asset fund (Restricted)**

This fund represents the outstanding grant contributions towards fixed assets which have not yet been spent by the charity.

**Designated fixed asset fund (Unrestricted)**

This fund represents the net book value of the proportion of the vehicles and equipment that was met by grant funding. This fund is reduced annually by the related depreciation.

**Revenue grants**

The Revenue grants fund represents grant funding received that must be spent on particular areas of the charity's activities as stipulated by the donor. The grants were expended in accordance with those terms.

**Transfers**

Transfers between funds primarily represent fixed assets purchased from restricted funds where the acquisition of the fixed assets has discharged the restriction and the assets are transferred to unrestricted funds. Previously the fixed assets were held in restricted funds until fully depreciated.

**21. Analysis of group net assets between funds**

	General Fund £	Designated Fund £	Restricted Funds £	Total £
Tangible fixed assets	171,680	84,408	-	256,088
Cash at bank and in hand	122,313	-	-	122,313
Other net current assets	16,126	-	-	16,126
Creditors of more than one year	<u>(13,508)</u>	<u>-</u>	<u>-</u>	<u>(13,508)</u>
	<b><u>296,611</u></b>	<b><u>84,408</u></b>	<b><u>-</u></b>	<b><u>381,019</u></b>