



COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Charitable Company, its Trustees and Advisers	1 - 2
Trustees' Report	3 - 14
Independent Auditors' Report	15 - 17
Consolidated Statement of Financial Activities	18
Consolidated Balance Sheet	19
Company Balance Sheet	20 - 21
Consolidated Statement of Cash Flows	22
Notes to the Financial Statements	23 - 38

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Trustees

A Akinola
H M Keenan
I D Kerr
T Stephenson
C E Taylor
B J Yeomans, Chair

Company registered number

2118677

Charity registered number

247331

Registered office

2nd Floor, Parkview House, Woodvale Office Park,
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

Bankers

Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

Santander
Bridle Road
Bootle
Merseyside
L30 4GB

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Advisers (continued)

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 2019

The Trustees of the charitable company are its Directors for the purposes of company law and throughout this report are collectively referred to as the Trustees. None of the Trustees had a beneficial interest in any contract to which the charitable company was party during the year.

The Trustees present their annual report together with the audited financial statements for the year 1 April 2018 to 31 March 2019.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charitable company is limited by guarantee and each of the members as at 31 March 2019 has undertaken to contribute an amount not exceeding £1 (one pound) towards the assets of the charitable company in the event of the same being wound up and the assets being insufficient to cover the charitable company's debts and liabilities.

Since the charitable company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

In Spring 2019 the Trustees and Senior Management Team met to review and update the strategic aim and objectives for the organisation going forward:

Strategic Aim:

Supporting people least able to access services that can enrich their lives.

Strategic Objectives:

Within the areas that CT operates, it aims to:

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

To enable us to do this we will generate sufficient resources to achieve our charitable aim.

Community Transport will achieve its Strategic aim through provision of accessible transport for people unable to access public transport provision through limited mobility, by providing affordable second hand furniture in addressing poverty and by supporting individuals to support other third sector organisations to enrich the lives of their beneficiaries in turn.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Strategic Plan

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

Values

To deliver the services that people want, with pride, care, fairness and professionalism.

Community Transport upholds these values by:

Providing specialised, safe and efficient transport services 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. Community Transport provides a door to door rather than kerb to kerb service, using accessible vehicles and trained and experienced Drivers. Community Transport also provides accessible vehicles for use by other voluntary sector organisations to allow those groups to better support the needs of their service users in turn;

Providing affordable second hand furniture for people in need, enabling families and individuals to obtain household items at prices that they can afford, addressing poverty whilst also encouraging reuse and recycling;

Equipping people with the skills and confidence to overcome barriers to learning, volunteering and working.

● **Main activities undertaken to further the charity's purposes for the public benefit**

The Trustees have referred to the Charity Commission guidance on public benefit and the objects of the charitable 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 is met through three main areas of operation:

- a) **Passenger Services.** Operation of accessible and non-accessible minibus transport at affordable prices to local voluntary sector groups and for individuals with mobility and other health issues;
- b) **Furniture Services.** Collection of donated second hand furniture items, providing them at affordable prices to people who need them;
- c) **Training Services.** Provision of accredited minibus driver training to voluntary sector groups to enable them to access transport and provide support to their users in turn, in a safe and professional way, and provision of work experience and volunteering opportunities to encourage people to participate in their local community and support others, and to learn and develop skills and confidence to enter further training or work.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

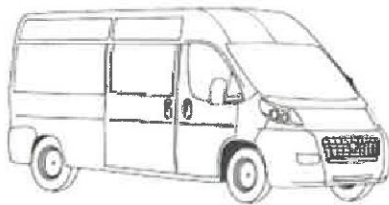
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Achievements and performance

- **Review of activities**

Community Transport achieved impact in the following ways:

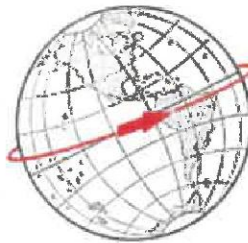
Passenger trips



The number of passenger trips delivered by us was
123,079

Distance travelled

Our minibuses travelled
850,920 miles over the year, which is enough to circle the world 34 times



Customer satisfaction



Overall our customer satisfaction across passenger and furniture services reached **94.5%**

Our people

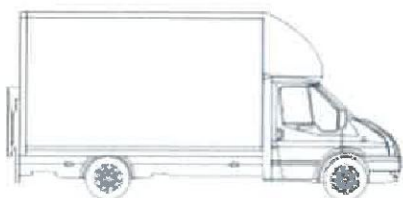
We provided **24,658** hours of volunteering opportunities and **3,878** hours of work placement opportunities



COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Items collected



We collected **723** tonnes of furniture and other goods from households and businesses

Carbon savings

The carbon savings from potentially diverting this amount of goods from landfill or reprocessing could save the environment **5,784** tonnes of CO₂



Items sold



We sold **46,459** items of affordable furniture and other goods to individuals and families

Shopmobility

Our Shopmobility service provided **1,009** mobility scooter hires to help people access town centre services and counter social isolation



COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

CT Passenger

The South Staffordshire Connect service, providing accessible transport for people living in rural areas of South Staffordshire came to an end due to funding cuts in March 2018; however, Staffordshire County Council approached CT Passenger towards delivering replacement services for local residents in 2018/2019;

Transport services for renal patients travelling to and from dialysis clinics has increased across the Black Country, Birmingham and Coventry areas in 2018/2019;

The CT Passenger site in Oldham was closed in March 2019 following the decision by Oldham Council to reduce its Adult Social Care budget and cut the grant previously awarded to Community Transport. This ends Community Transport's long presence in the North West;

A review of the passenger services booking process was undertaken, initiated by but not limited to changes made to meet the new requirements of the General Data Protection Regulations which came into force in May 2018;

O licences were sought and secured in the Midlands and north east regions to enable wider services to be delivered.

CT Furniture

CT Furniture opened a new store in Blyth, Northumberland. Despite opening some months later than planned, the amount of affordable furniture provided to local families and individuals has exceeded all expectations in the first few months of operation;

Additional work placement and volunteering opportunities were provided, achieving 5th position of 5,000 placement providers in the northeast by Job Centre Plus for CT Furniture's approach to safety and the overall experience gained by placements;

The Social Fund contract held by the CT Furniture site in Sandwell was lost due to funding cuts; however, work has continued to mitigate this loss through increased online sales and investment in business development across the Black Country;

CT Training

The ongoing consultation by the Department for Transport on vehicle and driver licensing has continued to have some detrimental impact on the demand for external training although this has started to increase again;

All internal training needs were met in terms of transport related training and refresher training.

CT Support Services

The support functions of premises, telecommunications and insurance management, human resource management, financial management and governance have been re-branded internally as CT Support to mirror the brand names of other services;

A Head of Finance was appointed in September 2018 and a restructure of the finance function was initiated in March 2019;

















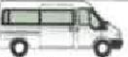


A Designated Safeguarding Officer was appointed internally; This role is intended to be a Champion and expert in Safeguarding on a CT wide basis;

Further review of policy and procedure has been undertaken within the document retention and referencing system, and all documentation scanned, destroyed or archived in line with GDPR has been completed.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)



TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Operational Sites and Services

Operational Site	Accessible Transport and Transport for Groups	Supply of second-hand furniture to families and individuals in need	Training Services
Blyth		 Domestic furniture	 Volunteering and placement support
Newcastle East	 (Hub for NE) Group Travel and school transport services	 Domestic and office furniture	  (Hub for NE) Internal/external training Volunteering and placement support
Newcastle West		 Domestic and office furniture	 Volunteering and placement support
Oldham	 Dial-a-Ride, Promobility and group travel services		  Internal/external training Volunteering and placement support
Sandwell		 Domestic and office furniture	 Volunteering and placement support
Wolverhampton	 (Hub for Black Country) Group travel, South Staffordshire Connect, schools and renal services	 Domestic and office furniture	 Volunteering and placement support
Birmingham	 Renal, shoppers, schools, prison visiting and day centre services and group travel.	 Domestic and office furniture	 Volunteering and placement support

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Operational Site	Accessible Transport and Transport for Groups	Supply of second-hand furniture to families and individuals in need	Training Services
Coventry	 Contracted S22 route, renal and school services and group travel		 (Hub for West Midlands) Internal/external training. Volunteering and placement support.

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 charitable 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.

● **Fundraising activities**

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.

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 2019 of £1,100,249. The group's services achieved a positive movement in unrestricted funds of £187,220. 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. Accordingly, they continue to prepare the financial statements on a going concern basis.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

● **Review of the year**

In the previous year, Community Transport identified future developments that included:

Investment in several newer vehicles, IT and developing the website – the average age of vehicles was reduced through obtaining newer vehicles and a larger vehicle in order to offer a wider range of services. There has been investment in an upgrade to the Sage Accounting software, increased licences and security for the general operating platform, and the website has been developed to include online booking services.

Investment in staff and volunteers to increase expertise in fleet management, health and safety and marketing – Both Transport Managers received refresher training, two colleagues in the Midlands were trained to IOSHH standard in managing health and safety. Further development of marketing expertise across the organisation is still to be considered.

New store to be opened in Blyth – the store was opened some two months later than planned due to delays in agreeing the leases; however, the site has performed much better than anticipated for those months of the year in which it was open, and has been the impetus for looking at similar sites in other areas in which Community Transport operates.

There has been continued uncertainty surrounding the operating environment for passenger services due to ongoing consultation on vehicle and driver licencing by the Department for Transport. An outcome to the consultation is expected to be identified through a Judicial Review expected to take place in November 2019. The interests not only of Community Transport but of all operators in the sector are represented by Mobility Matters Campaign Limited, a pressure group formed of and for community transport operators.

In mitigating the impact of potential changes to licencing arrangements, Community Transport has applied for and been awarded Operators' Licences in the northeast and West Midlands, has begun a review of its fleet replacement strategy, and has developed a programme of additional training for existing drivers to meet potential future requirements.

● **Reserves policy**

Total reserves held at 31 March 2019 increased by £157,069 to £1,652,734 with restricted funds down from £201,763 in 2017/18 to £171,612 in 2018/19.

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:

	2019 £'000	2018 £'000
Total unrestricted reserves	1,481	1,294
Less: designated funds	(364)	(364)
Less: unrestricted fixed assets	(295)	(333)
Free reserves	822	597

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.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

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 10 principal metropolitan districts in which the charitable company operates. It would therefore be reasonable to take 10% as an average apportionment to any one district.

Designated funds

The charitable company 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 modern, well-equipped freehold rather than leasehold operating sites.

The level of this fund has been set at £364k as of 31 March 2019. It is expected that this will be expended as follows:

Passenger vehicles - £175k
Property, ICT and furniture shop start-ups - £189k

• **Principal funding**

The following bodies are thanked for awards of grant aid in 2018/19 which has played a crucial part in maintaining and developing services.

Oldham - Oldham Metropolitan Borough Council (funding ended 31/03/19)
Sandwell - Sandwell Metropolitan Borough Council

Structure, governance and management

• **Constitution**

Community Transport is a company limited by guarantee and a registered charity governed by its memorandum and articles of association: Charity number 247331; Company number 2118677. 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), Company number 04125371. Details of its financial performance are included in these consolidated statements.

The charity also uses a number of trading names:

- "CT Passenger" refers to the provision of accessible transport services
- "CT Office" refers to the provision of affordable office furniture
- "CT Furniture" refers to the provision of affordable domestic furniture
- "CT Training" refers to the provision of transport related training
- "Promobility" refers to the provision of scooter and wheelchair hire

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Revised Memorandum and Articles of Association for the charitable company were formally adopted at an EGM on 13 July 2010. In line with the arrangements of Community Transport's Memorandum & Articles, overall responsibility for the charitable company's activities is vested in the Board of Directors, whose members also serve as the charity's trustees. The board is limited to a maximum of 11 members who may serve up to 3 consecutive terms of 3 years each followed by a break of at least 1 year before seeking re-election.

● **Method of appointment or election of Trustees**

The Board is responsible for recruiting and identifying new directors, as suited to supporting the interests of beneficiaries by virtue of skills, experience and commitment to the objectives of the charitable company. The Board is committed to constantly monitoring the number of Directors. Induction training is provided by the Chair, the Chief Executive and other staff members. Directors are encouraged to pool their skills and experience so as to champion different aspects of the charitable company's strategic interests and participate in sector-specific training and events, as well as training on the roles of directors. 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 of Association to form a Finance Sub-Committee should a requirement be identified to do so. A Finance Sub-Committee was formed in 2018/19 and held its first meeting on 13 March 2019.

Overall responsibility for the leadership of the charity is invested in the Chief Executive, who is responsible for business development and implementation of strategy. The Chief Executive led the Senior Management Team, which during the year to 31 March 2019 comprised two Operations Directors, appointed in May 2018 and a Head of Finance appointed in September 2018, supported by two Business Development Managers.

● **Risk management**

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 major risk areas to which the charity is exposed include:

- 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 a constant risk;
- Health and Safety – fully reviewed annually, and updated in line with legislative changes by a NEBOSH trained Health and Safety Manager. Two further members of staff were trained (IOSHH) in 2018, who support the Health and Safety Manager.
- Fleet management – both qualified Transport Managers completed their refresher training in 2018/19 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 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.

Community Transport 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 bi-annually.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Plans for future periods

• **Future developments**

Plans for the coming year include:

exploring the right balance between leased rather than owned vehicles;
a salary benchmarking exercise;
development of the website to allow online purchases;
opening of eBay shops;
growth of office furniture sales through developing corporate partnership and increased online sales;
identifying potential out of town retail sites rather than warehouses from which to provide furniture;

Trustees' responsibilities statement

The Trustees (who are also directors of Community Transport 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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;
- make judgments 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 charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group 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.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Auditors

The auditors, BHP LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees, on 29/04/19 and signed on their behalf by:


.....
B J Yeomans, Chair
Trustee

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY TRANSPORT

Opinion

We have audited the financial statements of Community Transport (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2019 set out on pages 18 to 38. 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 2019 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 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
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY TRANSPORT

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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY TRANSPORT

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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the 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 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 trustees, as a body, in accordance with 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 trustees 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 trustees, 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 Statutory Auditor

New Chartford House
Centurion Way
Cleckheaton
West Yorkshire
BD19 3QB
9 October 2019

BHP LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	2	1,000	394,869	395,869	403,920
Charitable activities	3	2,543,898	11,204	2,555,102	2,425,722
Investments	4	274	-	274	219
Profit on sale of fixed assets		6,292	-	6,292	21,080
Total income		2,551,464	406,073	2,957,537	2,850,941
Expenditure on:					
Charitable activities	5	2,364,244	436,224	2,800,468	2,684,498
Total expenditure		2,364,244	436,224	2,800,468	2,684,498
Net income / (expenditure) before other recognised gains and losses		187,220	(30,151)	157,069	166,443
Net movement in funds		187,220	(30,151)	157,069	166,443
Reconciliation of funds:					
Total funds brought forward		1,293,902	201,763	1,495,665	1,329,222
Total funds carried forward		1,481,122	171,612	1,652,734	1,495,665

The notes on pages 23 to 38 form part of these financial statements.

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

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2019

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	8		448,449		534,510
Current assets					
Stocks	10	8,247		1,000	
Debtors	11	465,657		381,854	
Cash at bank and in hand		1,100,249		876,187	
		<u>1,574,153</u>		<u>1,259,041</u>	
Creditors: amounts falling due within one year	12	(355,312)		(265,750)	
Net current assets			1,218,841		993,291
Total assets less current liabilities			1,667,290		1,527,801
Creditors: amounts falling due after more than one year	13		(14,556)		(32,136)
Net assets			1,652,734		1,495,665
Charity Funds					
Restricted funds	14,15		171,612		201,763
Unrestricted funds	14,15		1,481,122		1,293,902
Total funds			1,652,734		1,495,665

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on 29/09/19 and signed on their behalf, by:


B J Yeomans, Chair


I D Kerr

The notes on pages 23 to 38 form part of these financial statements.

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

COMPANY BALANCE SHEET
AS AT 31 MARCH 2019

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	8		448,449		534,510
Investments	9		1		1
			<u>448,450</u>		<u>534,511</u>
Current assets					
Stocks	10	8,247		1,000	
Debtors	11	674,620		592,033	
Cash at bank and in hand		886,620		659,577	
		<u>1,569,487</u>		<u>1,252,610</u>	
Creditors: amounts falling due within one year	12	(355,312)		(264,203)	
Net current assets			<u>1,214,175</u>		<u>988,407</u>
Total assets less current liabilities			<u>1,662,625</u>		<u>1,522,918</u>
Creditors: amounts falling due after more than one year	13		(14,556)		(32,136)
Net assets			<u>1,648,069</u>		<u>1,490,782</u>
Charity Funds					
Restricted funds	14		171,612		201,763
Unrestricted funds	14		1,476,457		1,289,019
Total funds			<u>1,648,069</u>		<u>1,490,782</u>

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

COMPANY BALANCE SHEET (continued)
AS AT 31 MARCH 2019

The financial statements were approved and authorised for issue by the Trustees on 25/09/19 and signed on their behalf, by:


B J Yeomans, Chair


I D Kerr

The notes on pages 23 to 38 form part of these financial statements.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	16	256,715	226,386
Cash flows from investing activities:			
Proceeds from the sale of tangible fixed assets		6,292	21,080
Purchase of tangible fixed assets		(21,231)	(133,325)
Net cash used in investing activities		(14,939)	(112,245)
Cash flows from financing activities:			
Repayments of borrowings		(17,714)	(17,370)
Net cash used in financing activities		(17,714)	(17,370)
Change in cash and cash equivalents in the year		224,062	96,771
Cash and cash equivalents brought forward		876,187	779,416
Cash and cash equivalents carried forward	17	1,100,249	876,187

The notes on pages 23 to 38 form part of these financial statements.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), 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 Statement of Financial Activities (SOFA) and 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.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

1.2 Company status

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.

1.3 Going concern

The group meets its day to day working capital requirements through its bank current accounts which had funds at 31 March 2019 of £1,100,249. The group's services achieved a positive movement in unrestricted funds of £187,220. 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. Accordingly, they continue to prepare the financial statements on a going concern basis.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.4 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.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company 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 donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1.5 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.6 Basis of consolidation

The financial statements consolidate the accounts of Community Transport and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The income and expenditure account for the year dealt with in the accounts of the company was £NIL (2018 - £166,560).

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives 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

1.8 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 fair 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 shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

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

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.10 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.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.11 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.

1.12 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.

1.13 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 within interest payable and similar charges.

1.14 Financial instruments

The company 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.

1.15 Pensions

The charitable company operates a funded pension scheme (see note 18). Employer contributions are charged to the Statement of Financial Activities as incurred.

1.16 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 company 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 company 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.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Income from donations and legacies

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Revenue grants	-	354,816	354,816	354,263
Donations	-	40,053	40,053	49,657
Grants	1,000	-	1,000	-
Total donations and legacies	1,000	394,869	395,869	403,920
<i>Total 2018</i>	-	403,920	403,920	

3. Income from charitable activities

	Passenger services £	Furniture services £	Other services £	2019 £	2018 £
Revenue grants	11,204	-	-	11,204	31,493
Service income	1,481,534	1,034,743	27,621	2,543,898	2,394,229
	1,492,738	1,034,743	27,621	2,555,102	2,425,722

In 2018, of the total income from charitable activities, £2,394,229 was to unrestricted funds and £31,493 was to restricted funds.

4. Investment income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest receivable	274	-	274	219
<i>Total 2018</i>	219	-	219	

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

5. Analysis of expenditure on charitable activities

	Passenger services £	Furniture services £	Other services £	2019 £	2018 £
Personnel costs	817,437	454,652	247,937	1,520,026	1,519,459
Vehicle costs	503,902	108,506	-	612,408	508,602
Other costs	151,050	392,404	124,580	668,034	656,437
	1,472,389	955,562	372,517	2,800,468	2,684,498

In 2018, of the total expenditure on charitable activities, £2,214,911 was to unrestricted funds and £469,587 was to restricted funds.

6. Net income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	107,292	111,196
Auditors' remuneration- audit	9,000	9,000

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

1 Trustee received reimbursement of expenses amounting to £214 in the current year, (2018 - 4 Trustees - £626).

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

7. Staff costs

Staff costs were as follows:

	2019	2018
	£	£
Wages and salaries	1,305,562	1,318,625
Social security costs	77,323	82,969
Other pension costs	37,675	25,762
	1,420,560	1,427,356

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

	2019	2018
	No.	No.
Total	98	97

Average headcount expressed as a full time equivalent:

	2019	2018
	No.	No.
Passenger Services	35	35
Furniture Services	15	12
Training Services	2	0
Administration and Support	11	20
	63	67

The number of higher paid employees was:

	2019	2018
	No.	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 2019, the charitable company had around 65 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.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

8. Tangible fixed assets

Group	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 April 2018	491,204	167,467	1,368,136	341,286	2,368,093
Additions	2,430	-	2,600	16,201	21,231
Disposals	-	(145,528)	(419,015)	(228,266)	(792,809)
At 31 March 2019	493,634	21,939	951,721	129,221	1,596,515
Depreciation					
At 1 April 2018	217,684	166,007	1,136,272	313,620	1,833,583
Charge for the year	9,812	1,154	80,669	15,657	107,292
On disposals	-	(145,528)	(419,015)	(228,266)	(792,809)
At 31 March 2019	227,496	21,633	797,926	101,011	1,148,066
Net book value					
At 31 March 2019	266,138	306	153,795	28,210	448,449
At 31 March 2018	273,520	1,460	231,864	27,666	534,510

Company	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 April 2018	491,204	167,467	1,368,136	341,286	2,368,093
Additions	2,430	-	2,600	16,201	21,231
Disposals	-	(145,528)	(419,015)	(228,266)	(792,809)
At 31 March 2019	493,634	21,939	951,721	129,221	1,596,515
Depreciation					
At 1 April 2018	217,684	166,007	1,136,272	313,620	1,833,583
Charge for the year	9,812	1,154	80,669	15,657	107,292
On disposals	-	(145,528)	(419,015)	(228,266)	(792,809)
At 31 March 2019	227,496	21,633	797,926	101,011	1,148,066
Net book value					
At 31 March 2019	266,138	306	153,795	28,210	448,449
At 31 March 2018	273,520	1,460	231,864	27,666	534,510

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

9. Fixed asset investments

Company	Shares in group undertakings £
Market value	
At 1 April 2018 and 31 March 2019	1

The investment comprises a 100% holding in the share capital of Community Minibuses Limited, a company incorporated in England and Wales, registered address 2nd Floor Parkview House, Woodvale Office Park, Woodvale Road, Brighouse, West Yorkshire, HD6 4AB. Community Minibuses Limited operates services requiring a commercial operating licence. The investment was transferred to Community Transport on 1 April 2005.

10. Stocks

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Stocks	8,247	1,000	8,247	1,000

11. Debtors

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	207,520	218,757	207,520	218,757
Amounts owed by group undertakings	-	-	208,963	210,186
Other debtors	86,132	11,889	86,132	11,882
Prepayments and accrued income	172,005	151,208	172,005	151,208
	465,657	381,854	674,620	592,033

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

12. Creditors: Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2019	2018	2019	2018
	£	£	£	£
Bank loans and overdrafts	17,721	17,855	17,721	17,855
Trade creditors	198,821	115,869	198,821	115,322
Other taxation and social security	22,282	17,435	22,282	17,435
Other creditors	7,225	1,418	7,225	1,418
Accruals and deferred income	109,263	113,173	109,263	112,173
	<u>355,312</u>	<u>265,750</u>	<u>355,312</u>	<u>264,203</u>

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

	<u>Group</u>		<u>Company</u>	
	2019	2018	2019	2018
	£	£	£	£
Bank loans	14,556	32,136	14,556	32,136

Included within the above are amounts falling due as follows:

	<u>Group</u>		<u>Company</u>	
	2019	2018	2019	2018
	£	£	£	£
Between one and two years				
Bank loans	14,556	17,855	14,556	17,855
Between two and five years				
Bank loans	-	14,281	-	14,281

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 2019 was 2.75%. 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 2019

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018 £	Income £	Expenditure £	Balance at 31 March 2019 £
Designated funds				
Designated capital fund	364,477	-	-	364,477
Unrestricted 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 2019

14. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2018 £</i>
Designated capital fund	364,477	-	-	364,477
General funds				
Revenue funds	723,808	2,414,815	(2,214,081)	924,542
Retained in subsidiary	5,000	713	(830)	4,883
	<u>728,808</u>	<u>2,415,528</u>	<u>(2,214,911)</u>	<u>929,425</u>
Restricted funds				
Capital grants	235,937	-	(34,174)	201,763
Centro - Prison Visiting Transport Services	-	31,493	(31,493)	-
Oldham MBC	-	45,000	(45,000)	-
Sandwell MBC - Adult and Community Services	-	306,748	(306,748)	-
Other	-	52,172	(52,172)	-
	<u>235,937</u>	<u>435,413</u>	<u>(469,587)</u>	<u>201,763</u>
Total of funds	<u>1,329,222</u>	<u>2,850,941</u>	<u>(2,684,498)</u>	<u>1,495,665</u>

Summary of funds - current year

	<i>Balance at 1 April 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2019 £</i>
Designated funds	364,477	-	-	364,477
General funds	929,425	2,551,464	(2,364,244)	1,116,645
	<u>1,293,902</u>	<u>2,551,464</u>	<u>(2,364,244)</u>	<u>1,481,122</u>
Restricted funds	201,763	406,073	(436,224)	171,612
	<u>1,495,665</u>	<u>2,957,537</u>	<u>(2,800,468)</u>	<u>1,652,734</u>

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

14. Statement of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2018 £</i>
Designated funds	364,477	-	-	364,477
General funds	728,808	2,415,528	(2,214,911)	929,425
	<u>1,093,285</u>	<u>2,415,528</u>	<u>(2,214,911)</u>	<u>1,293,902</u>
Restricted funds	235,937	435,413	(469,587)	201,763
	<u>1,329,222</u>	<u>2,850,941</u>	<u>(2,684,498)</u>	<u>1,495,665</u>

Restricted funds

	Number of assets	Balance at 31 March 2019 £	Balance at 31 March 2018 £
Capital grants are made up as follows:			
Vehicles	7	31,439	58,730
Wolverhampton building	1	140,173	143,033
	<u>8</u>	<u>171,612</u>	<u>201,763</u>
Total			

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	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)
	<u>1,481,122</u>	<u>171,612</u>	<u>1,652,734</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	332,747	201,763	534,510
Current assets	1,259,041	-	1,259,041
Creditors due within one year	(265,750)	-	(265,750)
Creditors due in more than one year	(32,136)	-	(32,136)
	<u>1,293,902</u>	<u>201,763</u>	<u>1,495,665</u>

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

	2019 £	Group 2018 £
Net income for the year (as per Statement of Financial Activities)	157,069	166,443
Adjustment for:		
Depreciation charges	107,292	111,196
Profit on the sale of fixed assets	(6,292)	(21,080)
Increase in stocks	(7,247)	(1,000)
Increase in debtors	(83,803)	(6,124)
Increase/(decrease) in creditors	89,696	(23,049)
Net cash provided by operating activities	<u>256,715</u>	<u>226,386</u>

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

17. Analysis of cash and cash equivalents

	2019	Group
	£	2018
		£
Cash in hand	1,100,249	876,187
Total	1,100,249	876,187

18. 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 £37,675 (2018 - £25,762).

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 multi-employer scheme, where the total assets are aggregated for investment purposes, and benefits are paid out of the Plan's total assets.

At 31 March 2019, the Charitable Company had outstanding pension contributions of £nil (2018 - £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.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

18. Pension commitments (continued)

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.

Potential employer debt treated as a contingent liability

Community Transport has been notified by The Pensions Trust of the estimated employer debt of £126,066 (2018 - £151,336) on withdrawal from the Plan based on the financial position of the Plan as at 31 March 2019.

19. Operating lease commitments

At 31 March 2019 the total of the group's future minimum lease payments under non-cancellable operating leases was:

Group and Company	2019	2018
	£	£
Amounts payable:		
Within 1 year	180,428	132,561
Between 1 and 5 years	280,057	296,197
After more than 5 years	10,000	40,000
Total	470,485	468,758

During the year £316,593 was recognised as an expense in the Statement of Financial Activities in respect of operating leases (2018 - 231,416).

20. Related party transactions

Transactions with other group companies

The charitable company has one wholly owned subsidiary undertaking and is therefore exempt from disclosing related party transactions with other group companies.

Key Management Personnel transactions

The key management personnel of the parent charity during the year to 31 March comprised the Trustees, 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 (including the Trustees) in the year amounted to £267,629 (2018 - £237,840).