

Company registration number: 7983448  
Charity registration number: 1148539

# Epping Forest Community Transport

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 November 2018

Douglas Jones Accountants Limited  
33 High Street  
Old Harlow  
Essex  
CM17 0DN

# **Epping Forest Community Transport**

## **Contents**

Reference and Administrative Details .....	1
Trustees' Report .....	2 to 3
Independent examiner's report .....	4
Statement of financial activities .....	5
Balance Sheet .....	6
Notes to the financial statements .....	7 to 13

The following page does not form part of the statutory financial statements:

Statement of financial activities per fund .....	14
--	----

## **Epping Forest Community Transport**

### **Reference and Administrative Details**

<b>Charity name</b>	Epping Forest Community Transport	
<b>Charity registration number</b>	1148539	
<b>Company registration number</b>	7983448	
<b>Principal office</b>	Social Care Building 2nd Floor St Johns Road Epping Essex CM16 5EB	
<b>Registered office</b>	Social Care Building 2nd Floor St Johns Road Epping Essex CM16 5EB	
<b>Trustees</b>	Mr J A Batchelor (Resigned 31 October 2018) Mr P J Blackwell Mr R F Coombs Mr R D Bassett, Chairman Mr P Ashworth, Vice Chairman Miss M Reed	
<b>Accountant</b>	Douglas Jones Accountants Limited 33 High Street Old Harlow Essex CM17 0DN	

# **Epping Forest Community Transport**

## **Trustees' Report**

### **Trustee Report**

#### **Summary**

Epping Forest Community Transport (including Harlow Community Transport) position for the financial year that ended on the 30th November 2018 was a deficit of £72,682. This is an adverse movement when comparing 2018 financial year with the 2017 financial year where the deficit was £61,990, meaning a movement of £10,692.

#### **Expenditure**

Expenditure in total was £647,274 which is an increase of £15,051 in comparison to 2017 financial year. The largest non-staffing expenditure during this financial year, as expected, was motor expenses, which covers fuel, vehicle maintenance and running cost. In accordance to accounting standards the charity has taken the prudent steps of depreciation charge of £44,865 through the reducing balance basis method due to the nature of the charity's assets.

In more detail, motor expenses have increased by £19,457 which is a rise of 13% in comparison to last financial year. If we compare 2018 motor expenses to 2016 motor expense motor expense has increased by £59,503. Within two financial years the Charity has faced an increase in motor expense by 56%. The motor expense has partially been offset by staffing vacancies which have caused a decrease in Employment cost by £12,577. However, it must be stated that with an increase in unfilled vacancy, which has indeed dampened cost pressure, has come at an opportunity cost of potential revenue the employed position can generate for the charity.

#### **Income**

Income in total is £574,592 has had a small increase of £4,359 in comparison to the 2017 financial year. There has been a 24% increase in Grant Receivables by £49,305. This is primarily due to an agreement between the charity and Chigwell Parish Council to provide an additional service for the residence of Chigwell. However, this has been offset by the loss of income when comparing 2017 financial year in terms of Education with an adverse movement of £20,960 due to a school contract not being renewed for the new school year, which is reduction of 14%. Group Hire has seen a steep 32% reduction in comparison to 2017 financial year meaning adverse movement of £24,857.

#### **Deficit**

The board have sought to act in reducing maintenance cost through the disposal of two of the older buses and the buying, through grant funding, a more modern bus as a replacement. However, even with these decisions around asset management to reduce to on-going maintenance cost, there is an anticipation that expenditure will significantly increase in the next financial year. This is due to economic uncertainty around the value of the pound which will impact fuel prices and the difficulties in the current job market which is impacting community transport schemes throughout Essex.

The board anticipates the income will fall further due to full year effect of the loss of one of the Education contracts in the 2019 financial year. Therefore, the charity is investigating new dynamic services that other community transport across the county has successfully implemented in the past year. These services that other Community Transport now offer have been both a financial success and a success in increasing customer satisfaction.

Unfortunately, due to size of deficit and expectation that expenditure will be significantly increasing in future years, the Epping Forest Community Transport Board has decided to increase fare prices which will be in effect by 1st September 2019.

#### **Small company provisions**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

**Epping Forest Community Transport**  
**Trustees' Report**

Approved by the Board and signed on its behalf by:



Mr R D Bassett  
Trustee

Date: 15 July 2019



Mr P Ashworth  
Trustee

Date: 31/7/2019



## **Independent Examiner's Report to the Trustees of**

### **Epping Forest Community Transport**

I report on the accounts of the company for the year ended 30 November 2018, which are set out on pages 5 to 13.

#### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of (named body).

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....  
Douglas Jones Accountants Limited

Date:.....

33 High Street  
Old Harlow  
Essex  
CM17 0DN

## Epping Forest Community Transport

### Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 30 November 2018

		Unrestricted Funds	Total Funds 2018	Total Funds 2017
	Note	£	£	£
<b>Incoming resources</b>				
Incoming resources from generated funds				
Voluntary income	2	574,592	574,592	570,233
Total incoming resources		<u>574,592</u>	<u>574,592</u>	<u>570,233</u>
<b>Resources expended</b>				
Costs of generating funds				
Costs of generating voluntary income	4	647,274	647,274	632,223
Total resources expended		<u>647,274</u>	<u>647,274</u>	<u>632,223</u>
Net movements in funds		(72,682)	(72,682)	(61,990)
<b>Reconciliation of funds</b>				
Total funds brought forward		433,707	433,707	495,697
Total funds carried forward		<u><u>361,025</u></u>	<u><u>361,025</u></u>	<u><u>433,707</u></u>

The notes on pages 7 to 13 form an integral part of these financial statements.

**Epping Forest Community Transport (Registration number: 7983448)**

**Balance Sheet as at 30 November 2018**

		2018		2017	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		148,312		196,287
<b>Current assets</b>					
Debtors	10	150,502		101,927	
Cash at bank and in hand		92,141		164,789	
		<u>242,643</u>		<u>266,716</u>	
<b>Creditors: Amounts falling due within one year</b>	11	<u>(29,930)</u>		<u>(29,296)</u>	
<b>Net current assets</b>			<u>212,713</u>		<u>237,420</u>
<b>Net assets</b>			<u>361,025</u>		<u>433,707</u>
<b>The funds of the charity:</b>					
<b>Unrestricted funds</b>					
Unrestricted income funds			<u>361,025</u>		<u>433,707</u>
<b>Total charity funds</b>			<u>361,025</u>		<u>433,707</u>

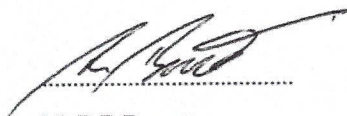
For the financial year ended 30 November 2018, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

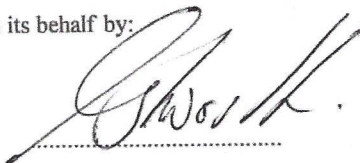
The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008 January 2015).

Approved by the Board on ..... and signed on its behalf by:



Mr R D Bassett  
Trustee



Mr P Ashworth  
Trustee

The notes on pages 7 to 13 form an integral part of these financial statements.



## **Epping Forest Community Transport**

### **Notes to the Financial Statements for the Year Ended 30 November 2018**

#### **1 Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

##### **Fund accounting policy**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Further details of each fund are disclosed in note 15.

##### **Incoming resources**

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

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity where this can be quantified.

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 Trustees' Annual Report.

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

##### **Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs associated with attracting voluntary income.

##### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

##### **Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

##### **Fixed assets**

Individual fixed assets costing £0 or more are initially recorded at cost.

## Epping Forest Community Transport

### Notes to the Financial Statements for the Year Ended 30 November 2018

..... continued

#### Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	25% reducing balance basis
Motor Vehicles	25% reducing balance basis

#### Operating leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

#### Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

## 2 Voluntary income

	Unrestricted Funds £	Total Funds 2018 £	Total Funds 2017 £
<b>Donations and legacies</b>			
Group Hire	52,030	52,030	76,887
Dial A Ride	29,621	29,621	25,217
Social Car	30,919	30,919	35,571
Shopper Bus	80,324	80,324	76,987
Membership	5,790	5,790	4,106
Education	121,416	121,416	142,376
Bank Interest	138	138	145
Donations	750	750	1,228
Grants receivable	253,604	253,604	204,299
(Profit)/loss on sale of tangible fixed assets held for charity's own use	-	-	3,417
	574,592	574,592	570,233

## 3 Grants receivable

	Unrestricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Membership	5,790	5,790	4,106

## Epping Forest Community Transport

### Notes to the Financial Statements for the Year Ended 30 November 2018

..... continued

#### 4 Total resources expended

	Donations and legacies	Total
	£	£
<b>Direct costs</b>		
Employment costs	390,267	390,267
Establishment costs	9,447	9,447
Repairs and maintenance	319	319
Office expenses	11,943	11,943
Printing, posting and stationery	7,091	7,091
Subscriptions and donations	165	165
Sundry and other costs	897	897
Motor expenses	164,941	164,941
Travel and subsistence	831	831
Advertising and promotion	838	838
Entertainment	559	559
Accountancy fees	14,203	14,203
Bad debt expense	405	405
Bank charges	703	703
Depreciation of tangible fixed assets	44,865	44,865
	<u>647,474</u>	<u>647,474</u>
<b>Support costs</b>		
Legal and professional costs	(200)	(200)
	<u>647,274</u>	<u>647,274</u>

#### 5 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

#### 6 Net expenditure

Net expenditure is stated after charging/(crediting):

	2018 £	2017 £
Profit on disposal of tangible fixed assets	-	(3,417)
Depreciation of tangible fixed assets	44,865	53,223
Amortisation	-	23
	<u>44,865</u>	<u>49,829</u>

**Epping Forest Community Transport**  
**Notes to the Financial Statements for the Year Ended 30 November 2018**

..... *continued*

**7 Employees' remuneration**

The aggregate payroll costs of these persons were as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	329,418	332,724
Social security	19,058	20,101
Other pension costs	16,500	17,669
	<u>364,976</u>	<u>370,494</u>

**8 Taxation**

The company is a registered charity and is, therefore, exempt from taxation.

**Epping Forest Community Transport**  
**Notes to the Financial Statements for the Year Ended 30 November 2018**

..... continued

**9 Tangible fixed assets**

	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
As at 1 December 2017	341,893	13,484	355,377
Additions	-	2,351	2,351
As at 30 November 2018	<u>341,893</u>	<u>15,835</u>	<u>357,728</u>
<b>Depreciation</b>			
As at 1 December 2017	158,904	5,647	164,551
Charge for the year	42,318	2,547	44,865
As at 30 November 2018	<u>201,222</u>	<u>8,194</u>	<u>209,416</u>
<b>Net book value</b>			
As at 30 November 2018	<u>140,671</u>	<u>7,641</u>	<u>148,312</u>
As at 30 November 2017	<u>182,989</u>	<u>7,837</u>	<u>190,826</u>

**10 Debtors**

	2018 £	2017 £
Trade debtors	52,155	40,988
Other debtors	6,659	22,060
Prepayments and accrued income	91,688	38,879
	<u>150,502</u>	<u>101,927</u>

**11 Creditors: Amounts falling due within one year**

	2018 £	2017 £
Trade creditors	17,103	13,639
Taxation and social security	6,488	12,357
Other creditors	3,243	-
Accruals and deferred income	3,096	3,300
	<u>29,930</u>	<u>29,296</u>



## **Epping Forest Community Transport**

### **Notes to the Financial Statements for the Year Ended 30 November 2018**

..... *continued*

#### **12 Members' liability**

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £nil towards the assets of the charity in the event of liquidation.

#### **13 Pension scheme**

##### **Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £16,500 (2017 - £17,669).

Contributions totalling £2,646 (2017 - £nil) were payable to the scheme at the end of the period and are included in creditors.

## Epping Forest Community Transport

### Notes to the Financial Statements for the Year Ended 30 November 2018

..... continued

#### 14 Related parties

##### Controlling entity

The charity is controlled by the trustees who are all directors of the company.

#### 15 Analysis of funds

	At 1 December 2017	Incoming resources	Resources expended	At 30 November 2018
	£	£	£	£
<b>General Funds</b>				
Unrestricted income fund	433,707	574,592	(647,274)	361,025

#### 16 Net assets by fund

	Unrestricted Funds	Total Funds 2018	Total Funds 2017
	£	£	£
Tangible assets	148,312	148,312	196,287
Current assets	242,643	242,643	266,716
Creditors: Amounts falling due within one year	(29,930)	(29,930)	(29,296)
Net assets	<u>361,025</u>	<u>361,025</u>	<u>433,707</u>

**Epping Forest Community Transport**  
**Statement of financial activities by fund Year Ended 30 November 2018**

	Unrestricted income fund 2018	Unrestricted income fund 2017
	£	£
<b>Incoming resources</b>		
Incoming resources from generated funds		
Voluntary income	574,592	570,233
Total incoming resources	<u>574,592</u>	<u>570,233</u>
<b>Resources expended</b>		
Costs of generating funds		
Costs of generating voluntary income	647,274	632,223
Total resources expended	<u>647,274</u>	<u>632,223</u>
Net movements in funds	(72,682)	(61,990)
<b>Reconciliation of funds</b>		
Total funds brought forward	433,707	495,697
Total funds carried forward	<u><u>361,025</u></u>	<u><u>433,707</u></u>

This page does not form part of the statutory financial statements.