

COMMUNITY TRANSPORT SOUTH LAKELAND

(A Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST OCTOBER 2006

Charity number: 1105221
Company number: 5122372

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COMMUNITY TRANSPORT SOUTH LAKELAND

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COMMUNITY TRANSPORT SOUTH LAKELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST OCTOBER 2006

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st October 2006

Reference and Administrative Details

Charity number	1105221
Company number	5122372
Registered Office	Stricklandgate House 92 Stricklandgate Kendal Cumbria LA9 4PU
Reporting Accountants	C Mitchinson & Co 22 Market Place Kendal Cumbria LA9 4TN
Bankers	Yorkshire Bank 7 Stricklandgate Kendal Cumbria LA9 4NB
Solicitors	None appointed

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees

The trustees in office during the year were as follows

Chairman	J D Train	Appointed 7 May 2004
Honorary Treasurer	J Phillips	Appointed 7 May 2004
Honorary Secretary	P Smith	Appointed 12 November 2004
Elected Trustees	P Raffle	Resigned 6th December 2005
	R Bingham	Appointed 12 November 2004
	C Batteson	Appointed 12 November 2004
Secretary	M H Gough	

COMMUNITY TRANSPORT SOUTH LAKELAND

Structure, Governance and Management

Governing Document

Community Transport South Lakeland is a company limited by guarantee, governed by its Memorandum and Articles of Association (dated 7th May 2004), being formerly an unincorporated charity. It is registered as a charity with the Charity Commission. The liability of each member in the event of winding up shall not exceed £1. On 1st November, 2004, the charity took over the operations of the unincorporated charity Community Transport South Lakeland (Charity No 1043704). All funds and assets were transferred at this date to the limited company.

Appointment of Trustees

As set out in the Articles of Association the Chair of the Trustees and the Treasurer are nominated by the Management Committee. Officers must serve for one year and may offer themselves for reappointment, but cannot serve for more than five years in the same post. All members are entitled to nominate themselves for appointment as a trustee.

Trustee Induction and Training

Newly appointed trustees are shown around the premises to brief them on the activities of the charity and to inform them of their legal obligations under both Charity and Company Law.

Objectives and Activities

The objects of the charity are to provide a community transport service for such of the inhabitants of South Lakeland and its neighbourhood who are in need of such a service because of age, sickness or disability (mental or physical), or poverty, or because of a lack of availability of adequate and safe public passenger services.

Achievements and Performance

Community Transport South Lakeland has continued to deliver existing voluntary car scheme services throughout South Lakeland. The company now operates six minibuses throughout South Lakeland in the minibus brokerage scheme and showed improved usage figures during the period 1st November 2005 – 31st October 2006. MiDAS (Minibus Driver Awareness Scheme) driver training has been delivered regularly throughout the year to CTSL volunteers and self-drive drivers. Minibus Emergency Evacuation Procedures (MEEP) Training has also been delivered to CTSL volunteer minibus drivers during this year. Membership, volunteer and passenger numbers continue to grow and the company continues to review and develop projects in order to provide an effective community transport service for South Lakeland residents in conjunction with income generation development and the identification of and application to appropriate grant-making trusts.

Financial Review

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 three months unrestricted expenditure and/or the winding up costs of the charity should continued funds not be available. The relevant costs for three months unrestricted expenditure provide sufficient funds to cover management and administration support costs and consist of staff salaries, office accommodation, insurance, office supplies and services. The financial reserve required to cover the winding up costs of the charity are calculated from the average total running costs for the notice period of employees plus the cost of severance payments. Funds were maintained at this level throughout the year. Applications for further funding from potential supporters of the charity are currently being prepared by the Trustees. The financial reserve is reassessed at least annually and as circumstances change.

COMMUNITY TRANSPORT SOUTH LAKELAND

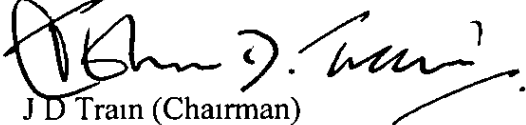
Trustees' Responsibilities in relation to the Financial Statements

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial period and of its surplus or deficit for the financial period. In doing so the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 business

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Trustees



J D Train (Chairman)

29th August 2007

ACCOUNTANT'S REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF COMMUNITY TRANSPORT SOUTH LAKELAND

We report on the accounts for the year ended 31st October 2006, which are set out on pages 1 to 13

Respective responsibilities of trustees and reporting accountants

As described on page 3, the company's trustees are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.


Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion

- a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985,
- b) having regard only to, and on the basis of, the information contained in those accounting records
 - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
 - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any categories of companies not entitled to exemption



C Mitchinson & Co
29th August 2007

COMMUNITY TRANSPORT SOUTH LAKELAND

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31ST OCTOBER 2006

	Note	Unrestricted Funds	Restricted Funds	2006 Total Funds	2005 Total Funds
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary Income</i>					
Donations and Grants	3	45,622	4,846	50,468	59,128
<i>Investment income</i>	3	64	-	64	71
Incoming resources from charitable activities:					
Voluntary Car Scheme	3	14,569	-	14,569	10,142
CTSL Minibus & Minibus Brokerage Scheme	3	28,824	-	28,824	26,855
Training Project	3	1,392	-	1,392	2,130
Total incoming resources		£ 90,471	£ 4,846	£ 95,317	£ 98,326
Resources expended					
<i>Costs of generating funds</i>					
Costs of generating voluntary income	4	4,169	1,573	5,742	10,514
<i>Charitable activities</i>					
Voluntary Car Scheme	4	23,114	3,715	26,829	31,306
CTSL Minibus & Minibus Brokerage Scheme	4	41,251	7,866	49,117	55,863
Training Project	4	18,967	5,404	24,371	21,791
<i>Governance costs</i>	4	917	-	917	1,381
Total resources expended		£ 88,418	£ 18,558	£ 106,976	£ 120,855
Net incoming/(outgoing) resources before transfers					
		2,053	(13,712)	(11,659)	(22,529)
Gross transfers between funds					
		5,434	(5,434)	-	-
Net incoming/(outgoing) resources before transfers					
		£ 7,487	£ (19,146)	£ (11,659)	£ (22,529)
Reconciliation of Funds					
Total funds brought forward		9,168	19,146	28,314	-
Funds transferred from unincorporated charity	15			-	50,843
Total funds carried forward		£ 16,655	£ -	£ 16,655	£ 28,314

The statement of financial activities includes all gains and losses recognised in the year

All incoming resources and resources expended derive from continuing activities

COMMUNITY TRANSPORT SOUTH LAKELAND

BALANCE SHEET AS AT 31ST OCTOBER 2006

	Note	2006	2005
Fixed assets			
Tangible assets	10	5,574	19,146
Current assets			
Debtors	11	22,350	9,405
Cash at bank and in hand		<u>1,812</u>	<u>17,672</u>
		24,162	27,077
Creditors:			
Amounts falling due within one year	12	<u>13,081</u>	<u>17,909</u>
Net current assets		<u>11,081</u>	<u>9,168</u>
Total assets less current liabilities		<u>£ 16,655</u>	<u>£ 28,314</u>
The funds of the charity:			
Unrestricted income funds	13	16,655	9,168
Restricted income funds	13	<u>-</u>	<u>19,146</u>
Total charity funds		<u>£ 16,655</u>	<u>£ 28,314</u>

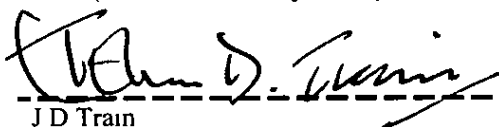
The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31st October 2006

The members have not required the company to obtain an audit of its financial statements for the year ended 31st October 2006 in accordance with Section 249B(2) of the Companies Act 1985

The trustees acknowledge responsibilities for

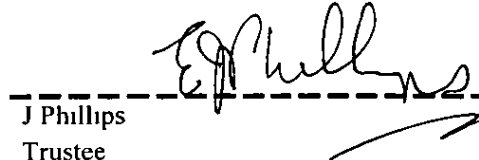
- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226A and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)


J D Train

Trustee

Date of approval


J Phillips

Trustee

29th August 2007

The notes on pages 7 - 14 form part of these financial statements

COMMUNITY TRANSPORT SOUTH LAKELAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST OCTOBER 2006

1 Accounting Policies

a) Basis of preparation

The Financial Statements are 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 2005) and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are set out below.

b) Incoming resources

Voluntary income including donations and grants are recognised gross where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is only deferred where the donor has specified conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities is recognised as earned (as the services are provided).

The voluntary car scheme is a project operating throughout South Lakeland where volunteer drivers use their own cars to transport passengers for a fixed mileage charge to cover their expenses.

The minibus brokerage scheme is a project where CTSL co-ordinates the booking, hire, management and maintenance of five community minibuses throughout South Lakeland for a brokerage fee. The CTSL minibus is also operated within the brokerage scheme.

The Training Project delivers Minibus Driver Awareness Training and Minibus Emergency Evacuation Procedures training to volunteer drivers. This training incorporates elements of disability awareness, the use of disability equipment, defensive and safe driving, duty of care and the legal requirements and responsibilities of minibus driving.

Investment income is recognised on a receivable basis.

c) Donations and voluntary income

The value of services provided by volunteers is not incorporated into these financial statements.

Gifts in kind, where they are capable of financial measurement, are included in the accounts at their estimated valuation.

d) Resources expended

Expenditure is incurred when a liability is incurred.

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with the delivery of services.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

e) Tangible fixed assets

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

Office Equipment	4 Years
Minibus	4 Years

f) Fund accounting

The trust has restricted income funds, where the donor has specified that a donation or grant must be spent on a particular purpose.

All other funds are unrestricted.

g) Pensions

The company offers all employees a 5% employers contribution to their individual pension schemes (after a six month probationary period for new staff). The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

COMMUNITY TRANSPORT SOUTH LAKELAND

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2 Company status

The company is limited by guarantee under the Companies Act 1985, and has no share capital. The liability of each member is limited to £1 in the event of a winding up.

3 Incoming resources

	2006	2005
<u>Unrestricted Funds</u>		
<i>Voluntary Income</i>		
Grants and Donations		
Donations	574	327
Cumberland Building Society	-	600
Community Transport Forum	-	513
Community Foundation	-	700
Cumbria County Council	27,075	8,959
Frieda Scott Foundation	-	3,000
Hadfield Trust	-	1,000
Kendal Town Council	-	100
Lloyds TSB Grant	10,317	-
Community Transport Forum	276	-
CRISP	7,130	-
HMRC On Line Filing Incentive	250	-
	<u>£ 45,622</u>	<u>£ 15,199</u>
<i>Investment income</i>		
Bank Interest Receivable	<u>£ 64</u>	<u>£ 71</u>
<i>Incoming resources from charitable activities</i>		
Voluntary Car Scheme		
Contract Travel	<u>£ 14,569</u>	<u>£ 10,142</u>
CTSL Minibus & Minibus Brokerage Scheme		
CTSL Minibus	8,321	6,812
Non-CTSL Minibus Income	15,870	15,047
Brokerage Income	3,898	4,140
Voluntary Driver Expenses	735	856
	<u>£ 28,824</u>	<u>£ 26,855</u>
Training Project		
Training Courses Delivered	<u>£ 1,392</u>	<u>£ 2,130</u>
<u>Restricted Funds</u>		
<i>Voluntary Income</i>		
Grants and Donations		
Big Lottery Fund	<u>£ -</u>	<u>£ 43,929</u>
Awards for All	<u>£ 4,846</u>	<u>£ -</u>

COMMUNITY TRANSPORT SOUTH LAKELAND

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4 Resources Expended

		2006		2005
		Unrestricted	Restricted	Total
<i>Costs of generating funds</i>				
Support Costs	(Note 5)	£ 4,169	£ 1,573	£ 10,514
<i>Charitable activities</i>				
Voluntary Car Scheme				
Contract Travel		9,382	-	10,553
Support Costs	(Note 5)	13,732	3,715	20,753
		£ 23,114	£ 3,715	£ 31,306
CTSL Minibus & Minibus Brokerage Scheme				
Minibus Management		461	4,151	4,363
Minibus Owner Payments		15,348	-	20,104
Depreciation of Minibus		11,956	-	10,643
Support Costs	(Note 5)	13,486	3,715	20,753
		£ 41,251	£ 7,866	£ 55,863
Training Project				
Training Costs		1,713	-	1,039
Support Costs	(Note 5)	17,254	5,404	20,752
		£ 18,967	£ 5,404	£ 21,791
<i>Governance costs</i>				
Repayment of non-CTSL grant		-	-	500
Reporting Accountants Fees		917	-	881
		£ 917	£ -	£ 1,381

COMMUNITY TRANSPORT SOUTH LAKELAND

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5 Support costs allocation

	Generating Funds	Voluntary Car Scheme	Minibus Schemes	Training Project	2006 Total	2005 Total
<u>Unrestricted Funds</u>						
Salaries and Pensions	2,630	7,519	7,519	11,864	29,532	7,872
Rent & Service Charge	-	1,231	1,231	1,232	3,694	4,948
Printing and Stationery	1,018	1,330	1,326	1,285	4,959	5,666
Computer Costs	-	151	151	151	453	717
Telephone & Internet	403	675	467	468	2,013	1,981
Postage	118	164	156	152	590	499
Insurance	-	439	266	266	971	479
General Running Costs	-	1,019	767	696	2,482	3,959
Bookkeeping and Accountancy	-	232	232	232	696	535
Training	-	63	63	63	189	1,911
Repairs & Renewals	-	-	-	-	-	94
Staff Travel	-	370	769	306	1,445	1,279
Depreciation	-	539	539	539	1,617	315
	<u>£ 4,169</u>	<u>£ 13,732</u>	<u>£ 13,486</u>	<u>£ 17,254</u>	<u>£ 48,641</u>	<u>£ 30,255</u>
<u>Restricted Funds</u>						
Salaries and Pensions	1,522	2,924	2,924	4,614	11,984	36,455
Rent & Service Charge	-	33	33	33	99	100
Printing and Stationery	51	27	27	26	131	100
Recruitment	-	-	-	-	-	370
General Running Costs	-	92	92	92	276	366
Consultancy & Advice	-	-	-	-	-	800
Training	-	50	50	50	150	100
Staff Travel	-	589	589	589	1,767	1,650
Depreciation	-	-	-	-	-	2,576
	<u>£ 1,573</u>	<u>£ 3,715</u>	<u>£ 3,715</u>	<u>£ 5,404</u>	<u>£ 14,407</u>	<u>£ 42,517</u>

Cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record keeping

Support costs have been allocated on a best estimate of the usage, both in time and nature. The accounting systems have been reviewed and changed so that future years can be based on more accurate usage by each project

COMMUNITY TRANSPORT SOUTH LAKELAND

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6 Trustees' Expenditure

Trustees' emoluments	£ -	£ -
Expenses reimbursed to the trustees	£ -	£ -

7 Reporting Accountant's Fee

Accountant's fee for reporting on the accounts	£ 917	£ 881
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8 Staff Costs

Employee costs during the year

Salaries	36,903	39,517
Social security costs	2,822	2,528
Pension contributions	1,711	2,281
	£ 41,436	£ 44,326

The average number of employees during the year was as follows:

Trustees	5	6
Manager	1	1
Other	2	2

The employees are involved with all projects run by the charity

Defined contribution pension scheme

The charity contributes to the individual pension schemes of its employees

The costs to the charity are as shown above and no amounts were outstanding or prepaid at the year end

9 Taxation

Community Transport South Lakeland is a registered charity and is thus exempt from tax on income and gains falling within section 505 (1) (c) of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects

There was no UK Corporation Tax payable during the year

COMMUNITY TRANSPORT SOUTH LAKELAND

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10 Tangible fixed assets

	Minibus	Computers, Furniture & Fittings	Total
Cost			
Brought Forward	42,573	11,562	54,135
Additions	-	-	-
Disposals	-	-	-
At 31st October 2006	<u>£ 42,573</u>	<u>£ 11,562</u>	<u>£ 54,135</u>
Depreciation			
Brought Forward	25,851	9,138	34,989
Provided in unincorporated charity	-	-	-
Provided in the year	11,148	2,424	13,572
Eliminated on disposals	-	-	-
At 31st October 2006	<u>£ 36,999</u>	<u>£ 11,562</u>	<u>£ 48,561</u>
Net book value			
At 31st October 2006	<u>£ 5,574</u>	<u>£ -</u>	<u>£ 5,574</u>
At 31st October 2005	<u>£ 16,722</u>	<u>£ 2,424</u>	<u>£ 19,146</u>

The company took over all the assets of the unincorporated charity. These assets are recorded at historical cost and depreciation is being applied over the remaining useful lives of the assets.

11 Debtors - amounts falling due within one year

	2006	2005
Trade debtors	15,152	7,161
Other Debtors	6,666	-
Prepayments	532	2,244
	<u>£ 22,350</u>	<u>£ 9,405</u>

12 Creditors - amounts falling due within one year

	2006	2005
PAYE and NIC	776	703
Accruals	12,305	17,206
	<u>£ 13,081</u>	<u>£ 17,909</u>

COMMUNITY TRANSPORT SOUTH LAKELAND

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13 Movement in Funds

	Brought Forward	Transfer Between Funds	Incoming Resources	Resources Expended	Carried Forward
Total Unrestricted Funds	£ 9,168	£ 5,434	£ 90,471	£ 88,418	£ 16,655
Restricted Income Funds					
Community Fund	£ 663	(663)			£ -
Big Lottery Fund	£ 13,712			13,712	£ -
Cumbria County Council	£ 4,375	(4,375)			£ -
Frieda Scott Trust	£ 396	(396)			£ -
Awards for All	£ -		4,846	4,846	£ -
Total Restricted Funds	£ 19,146	(5,434)	£ 4,846	£ 18,558	£ -

Name of Fund

Description, nature and purpose of fund

Big Lottery Fund

To further develop and deliver a community transport service and a driver training scheme as detailed in the application for funding

Awards for All

To develop and deliver a community transport website

The movement between funds is to reallocate funds incorrectly recorded as restricted last year

14 Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total
Tangible assets	5,574	-	5,574
Debtors	22,350	-	22,350
Cash at bank and in hand	1,812	-	1,812
Current liabilities	(13,081)	-	(13,081)
	£ 16,655	£ -	£ 16,655