

HALTON COMMUNITY TRANSPORT
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS

for the year ended
31st March 2021

Company Registration Number 02884986
Charity Number 1080333

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

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2021

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

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2021

Members of the Board and professional advisors

Chairman D Inch

Treasurer C Inch

The board of trustees

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

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

Company secretary M S Arnold

Registered office 33 Ditton Road
Widnes
Cheshire
WA8 0PP

Auditors Mitchell Charlesworth LLP
Chartered Accountants & Registered Auditors
Glebe Business Park
Lunts Heath Road
Widnes
Cheshire
WA8 5SQ

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

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

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2021

The Trustees are pleased to present their report together with the financial statements of the group for the year ending 31st March 2021.

Reference and administrative details

Charity number: 1080333

Company Number: 02884986

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

Governing Document

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

Organisation

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

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

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

Related Parties

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

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

Risk Management

The trustees have a risk management strategy which comprises:

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

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2021

Objectives and activities

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

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

Achievements and performance Passenger trips	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Safe Evening Transport	0	4,204	4,632	4,766	4,866	5,260
Dial a Ride (inc Merseylink)	5,833	70,094	57,864	57,634	35,970	30,890
Community Buses (inc Schools)	14,640	61,344	59,304	57,856	71,256	78,263
Total Passenger Trips	20,473	135,642	121,800	120,256	112,092	114,413
Vehicles	26	24	26	25	24	20
Staff Employed	15	15	16	17	17	14
Volunteers	43	48	48	47	49	51

COVID-19 hit during this financial year, to say it decimated passenger journeys does not give the scale of its effects justice, decimation originally indicated just a 10% cut or loss. Our journey losses were almost 85% so I think almost seismic losses from the Pandemic better describe the truth.

Three ex-Halton BC Fleet vehicle were introduced to the Halton CT fleet during the year, and one was disposed of bringing fleet levels to 26 with a plan to reduce to around 22 by end of 2021/22.

Halton Borough Council continues to support HCT via its 'Dial A Ride' support funding which remained at £60,630 pa. School contract work was heavily effected by COVID-19 however Halton BC continued to pay at 75% of agreed contract rates during lockdowns. The numbers of SEN School Contracts remain stable if somewhat reduced from previous levels as more children travel to school in small private hire vehicles.

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2021

The Service Level Agreement backed DAR support payments which replaced our traditional Core funding many years ago continues to be incredibly important as it is the fabric which holds the Charity together. This is the foundation that underpins HCT and our only stable and secure income, however we fear this may again come under further attack as the cost of COVID-19 measures start to bite.

HCT did lockdown from late March 2020 until early July 2020 however we did continue to operate limited regional DAR services via our Merseylink Contract and remained available to the 3rd Sector and NHS to support COVID-19 efforts. The Liverpool City Region Combined Authority continued to pay our Merseylink Contract payments at 90% thorough all the reduced activity periods which was also of great assistance to HCT.

HCT took full advantage of the Government Employment Protection Scheme (Furlough Funding) and then the Flexible-Furlough Scheme which has also added greatly to our financial stability throughout the pandemic.

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

Our trading subsidiary The Extra Mile Transport Company Limited did have a reduced activity year due to COVID-19 and subsequently a 27% drop in turnover, however some investment in the Garage is already showing fast turnaround signs.

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

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

The Board would like to offer special thanks to Mark Arnold, our CEO. His crisis and disaster planning expertise, and future risk management meant HCT were well ahead of the curve when COVID-19 hit.

While others were “sleepwalking” into the Pandemic still saying it was no more than a “seasonal flu outbreak” Mark was modelling how to swiftly mothball our fleet and the shutdown of our depot in a timely and safe manor which led to us making significant overhead savings. All of his work and foresight has contributed to HCT remaining the vibrant, robust and resilient organisation that it is.

Investments powers and policy

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

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

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2021

Reserves policy

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

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

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

Plans for future periods

Due to the ongoing COVID-19 Pandemic the coming year will again be difficult and costs need to be closely monitored. Further staff changes and refocusing our activity may become necessary. HCT hopes to continue its re-emergence and is Phoenixing in all its activity due to its resilience and long term planning. We can only hope that the DfT remain supportive of CT operation and that any future proposed changes to CT Operation are sympathetic. We hope to continue to operate special needs school contracts and Dial A Ride as part of our continued development and move towards the 'Liverpool City Region' to expand our opportunities.

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

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

Results

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

Volunteers

The charity is grateful for the efforts of its volunteers who act as drivers, administration staff, passenger assistants and Board Members. Even during the worst Pandemic in recorded history some 6,050 volunteer hours were provided during the year (20% of previous years) with a value of £ 72,600 (Halton average earnings figures of £12 per hour ONS) to the organisation and the Halton economy demonstrating the continued importance of our services.

The Trustees

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

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

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2021

Auditors

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

Registered office:

33 Ditton Road
Widnes
Cheshire
WA8 0PP

Signed by order of the
Trustees

M S Arnold
Company secretary
Approved by the trustees on 30 January 2022

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31ST
MARCH 2021**

Trustees' responsibilities in relation to the financial statements

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources including the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

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

Mitchell Charlesworth

Chartered Accountants

Glebe Business Park Lunts Heath Road Widnes Cheshire

HALTON COMMUNITY TRANSPORT LIMITED COMPANY LIMITED BY GUARANTEE

Independent Auditor's Report to the Members of Halton Community Transport Limited Year ended 31 March 2021

Opinion

We have audited the financial statements of Halton Community Transport Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report¹, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of

irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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

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

We considered the opportunities and incentives that may exist within the company for fraud might occur in the financial statements and any potential indicators of fraud.

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

Audit response to risks identified

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

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

Use of our report

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

Glebe Business Park
Lunts Heath Road
Widnes
Cheshire
WA8 5SQ

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

30 January 2022

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

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

Year ended 31st March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 st March 2021 £	Total Funds Year to 31 st March 2020 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
<i>Activities for generating funds</i>					
Commercial trading operations		67,635	-	67,635	89,660
<i>Investment income</i>	5	<u>5</u>	<u>-</u>	<u>5</u>	<u>50</u>
		67,640	-	67,640	89,710
<i>Incoming resources from charitable activities:</i>					
Donations		-	-	-	210
Operation of transport services	6	<u>628,496</u>	<u>-</u>	<u>628,496</u>	<u>775,510</u>
Total incoming resources		<u>696,136</u>	<u>-</u>	<u>696,136</u>	<u>865,430</u>
Resources expended					
<i>Costs of generating funds:</i>					
Commercial trading operations		19,193	-	19,193	28,457
Investment management costs		<u>1,914</u>	<u>-</u>	<u>1,914</u>	<u>2,788</u>
Sub total cost of generating funds		21,107	-	21,107	31,245
<i>Charitable activities:</i>					
Operation of transport services	7	599,416	-	599,416	649,199
<i>Governance costs</i>	9	8,205	-	8,205	7,136
Total resources expended		<u>628,728</u>	<u>-</u>	<u>628,728</u>	<u>687,580</u>
Net incoming/(outgoing) resources					
Before transfers		67,408	-	67,408	177,850
Gross transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		67,408	-	67,408	177,850
Reconciliation of funds					
Total funds brought forward		<u>435,253</u>	<u>-</u>	<u>435,253</u>	<u>257,403</u>
Total funds carried forward		<u>502,661</u>	<u>-</u>	<u>502,661</u>	<u>435,253</u>

The group has no recognised gains or losses other than the results for the year as set out above.
There were no acquisitions in the current or previous year, and all of the activities of the charity are classed as continuing.

HALTON COMMUNITY TRANSPORT
A COMPANY LIMITED BY GUARANTEE

Consolidated Balance Sheet as at 31st March 2021

		Group 31st March 2021	Group 31st March 2020	Charity 31st March 2021	Charity 31st March 2020
Fixed assets					
Tangible assets	15	281,668	324,668	281,475	324,403
Investments		<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
		281,668	324,668	281,476	324,404
Current assets					
Stocks	16	3,611	2,922	3,611	2,922
Debtors	17	51,428	48,414	66,124	57,826
Cash at bank and in hand		201,252	85,200	172,069	63,886
		256,291	136,536	241,804	124,434
Creditors: Amounts falling due within one year	18	<u>35,298</u>	<u>22,867</u>	<u>27,571</u>	<u>17,525</u>
Net current assets		<u>220,993</u>	<u>113,669</u>	<u>214,233</u>	<u>106,909</u>
Total assets less current liabilities		502,661	438,337	495,709	431,313
Creditors: Amounts falling due after more than one year	19	<u>-</u>	<u>3,084</u>	<u>-</u>	<u>3,084</u>
Net assets		<u>502,661</u>	<u>435,253</u>	<u>495,709</u>	<u>428,229</u>
The funds of the charity					
Restricted income funds	20	-	-	-	-
Unrestricted income funds					
General fund		415,500	345,339	408,548	338,315
Designated fixed asset fund		<u>87,161</u>	<u>89,914</u>	<u>87,161</u>	<u>89,914</u>
Total charity funds		<u>502,661</u>	<u>435,253</u>	<u>495,709</u>	<u>428,229</u>

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

These financial statements were approved by the members of the committee and authorised for issue on the 30/01/2022 and are signed on their behalf by:

M Arnold
Company secretary and CEO

HALTON COMMUNITY TRANSPORT

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

1. Accounting Policies

Basis of Preparation

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

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

Going concern

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

Cash Flow Statement

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

Incoming resources

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

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

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

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

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Volunteers and donated services and facilities

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

Resources expended

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

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

Tangible fixed assets

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

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

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

Stock

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

Funds structure

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

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

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

Pension costs

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

HALTON COMMUNITY TRANSPORT

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Finance and operating leases

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

Financial instruments

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

Grants receivable

Grants receivable are included on an accruals basis.

2. Legal status of the charity

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

3. Financial activities of the charity

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

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

	2021	2020
	£	£
Gross incoming resources	671,285	833,082
Total expenditure on charitable activities	(597,237)	(649,067)
Investment costs	(363)	(619)
Governance costs	<u>(6,205)</u>	<u>(5,200)</u>
Net incoming resources	67,480	178,196
Total funds brought forward	<u>428,229</u>	<u>250,033</u>
Total funds carried forward	<u>495,709</u>	<u>428,229</u>
Represented by:		
Restricted income funds	-	-
Unrestricted income funds	<u>495,709</u>	<u>428,229</u>
	<u>495,709</u>	<u>428,229</u>

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

4. Incoming resources from activities for generating funds

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

The trading results of the subsidiary are summarised below.

	2021 £	2020 £
Turnover	67,635	89,800
Cost of sales and administration costs	<u>(24,923)</u>	<u>(32,834)</u>
Net profit	42,712	56,966
Amount gift aided to charity	(42,784)	(57,319)
Taxation	-	-
Interest received	<u>-</u>	<u>7</u>
Retained in subsidiary	(72)	(346)
 The assets and liabilities of the subsidiary were:		
Fixed assets	193	265
Current assets	29,183	21,514
Current liabilities	<u>(22,423)</u>	<u>(14,754)</u>
Total net assets	<u>6,953</u>	<u>7,025</u>
 Aggregate share capital and reserves	<u>6,953</u>	<u>7,025</u>

The above results include the trade with Halton Community Transport.

Cost of sales includes expenditure incurred by Halton Community Transport on behalf of Extra Mile Transport Company Limited of £nil (2020: £nil).

A balance of £14,696 (2020: £9,412) was due from Extra Mile Transport Company Limited at the year end to Halton Community Transport.

5. Investment Income

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

HALTON COMMUNITY TRANSPORT
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Notes to the Financial Statements

6. Incoming resources from charitable activities

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

	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
	£	£	£	£
Grants	97,082	-	97,082	261,370
Fares	90,318	-	90,318	151,386
Council contracts	85,479	-	85,479	131,957
Mersey link	209,209	-	209,209	217,958
Affiliation fees	-	-	-	-
CJRS income	145,433	-	145,433	5,064
Profit on disposal	975	-	975	<u>7,775</u>
	<u>628,496</u>	<u>-</u>	<u>628,496</u>	<u>775,510</u>

7. Costs of charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Direct charitable activity	524,012	-	524,012	565,433
Support costs	75,404	-	75,404	83,766
	<u>599,416</u>	<u>-</u>	<u>599,416</u>	<u>649,199</u>

8. Costs of charitable activities by activity type

	Activities undertaken directly	Support costs	Total Funds 2021	Total Funds 2020
	£	£	£	£
Direct charitable activity	524,012	75,404	599,416	649,199

9. Governance costs

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Audit and accountancy	8,205	-	8,205	7,136

**HALTON COMMUNITY TRANSPORT
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Notes to the Financial Statements

10. Directors' emoluments

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

	2021	2020
	£	£
Aggregate emoluments	-	-

11. Analysis of staff costs

	2021	2020
	£	£
Salaries and wages	326,428	303,608
Social security costs	22,697	21,431
Pension costs	8,895	8,054
	<u>358,020</u>	<u>332,293</u>

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

The charity contributes to a personal pension plan on behalf of its employees. No contributions were payable to the fund at 31st March 2021 (2020: £Nil).

12. Staff numbers

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

	2021	2020
	Number	Number
Charitable activities	13	13
Management and administration	3	3
	<u>16</u>	<u>16</u>

13. Movement in total funds for the year

	2021	2020
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	64,568	71,348
Depreciation of fixed assets held under hire purchase agreements	4,900	9,873
Auditor's remuneration:		
External audit	8,205	7,136
Other audit services	1,500	1,200
Other services	3,205	1,849

HALTON COMMUNITY TRANSPORT
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Notes to the Financial Statements

14. Taxation

The company is a registered charity and no provision is considered necessary for taxation. The trading subsidiary had no corporation tax liability (2020 - £Nil).

15. Tangible fixed assets – group

	Freehold Property £	Fixtures, fittings & Equipment £	Motor Vehicles £	Total £
Cost				
At 1st April 2020	158,437	111,247	850,027	1,119,711
Additions	-	5,135	22,400	27,535
Disposals	-	-	(38,295)	(38,295)
At 31st March 2021	<u>158,437</u>	<u>116,382</u>	<u>834,132</u>	<u>1,108,951</u>
Depreciation				
At 1st April 2020	55,204	95,627	644,212	769,222
Charge for the year	3,167	6,784	59,517	81,221
Released on disposal	-	-	(37,228)	(55,400)
At 31st March 2021	<u>58,371</u>	<u>102,411</u>	<u>666,501</u>	<u>795,043</u>
Net book value				
At 31st March 2021	<u>100,066</u>	<u>13,971</u>	<u>167,631</u>	<u>281,668</u>
At 31st March 2020	<u>103,233</u>	<u>15,620</u>	<u>205,815</u>	<u>324,668</u>

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

Notes to the Financial Statements

15 cont.....

Tangible fixed assets – Charity

	Freehold Property £	Fixtures, fittings & Equipment £	Motor Vehicles £	Total £
Cost				
At 1st April 2020	158,437	96,241	850,027	1,104,705
Additions	-	5,135	22,400	27,535
Disposals	-	-	(38,295)	(38,295)
At 31st March 2021	<u>158,437</u>	<u>101,376</u>	<u>834,132</u>	<u>1,093,945</u>
Depreciation				
At 1st April 2020	52,204	80,886	644,212	780,302
Charge for the year	3,167	6,712	59,517	69,396
Released on disposal	-	-	(37,228)	(37,228)
At 31st March 2021	<u>58,371</u>	<u>87,598</u>	<u>666,501</u>	<u>812,470</u>
Net book value				
At 31st March 2021	<u>100,066</u>	<u>13,971</u>	<u>167,631</u>	<u>281,475</u>
At 31st March 2020	<u>103,233</u>	<u>15,355</u>	<u>205,815</u>	<u>324,403</u>

The net book value of assets held on hire purchase at the year end was £6,533 (2020: £14,748) and the depreciation charge for the year was £4,900 (2020 - £9,873).

16. Stock

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Stock	<u>3,611</u>	<u>2,922</u>	<u>3,611</u>	<u>2,922</u>

17. Debtors

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Trade debtors	10,965	5,667	10,965	5,667
Amounts due from subsidiary undertaking	-	-	14,696	9,412
Other debtors	<u>40,463</u>	<u>42,747</u>	<u>40,463</u>	<u>42,747</u>
	<u>51,428</u>	<u>48,414</u>	<u>66,124</u>	<u>57,826</u>

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Notes to the Financial Statements

18. Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	10,244	1,102	9,310	168
Other taxes and social security costs	11,514	8,982	8,621	6,474
Hire purchase agreements	2,947	4,421	2,947	4,421
Other creditors and accruals	10,593	8,362	6,693	6,462
	<u>35,298</u>	<u>22,867</u>	<u>27,571</u>	<u>17,525</u>

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

	2021	2020
	£	£
Hire purchase agreements	<u>2,947</u>	<u>4,421</u>

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

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Hire purchase agreements	<u>-</u>	<u>3,084</u>	<u>-</u>	<u>3,084</u>

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

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

	2021	2020
	£	£
Hire purchase agreements	<u>-</u>	<u>3,084</u>

20. Analysis of charitable funds

Analysis of unrestricted fund movements

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

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Notes to the Financial Statements

20. cont.

Charity	Fund at 31 st March 2020 £	Incoming Resources £	Resources expended £	Transfers £	Fund at 31 st March 2021 £
General fund	338,315	671,285	(601,052)	-	408,548
Designated fixed asset Fund	89,914	-	(2,753)	-	87,161
Total	<u>428,229</u>	<u>671,285</u>	<u>(603,805)</u>	-	<u>495,709</u>

Fixed asset fund (Restricted)

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

Designated fixed asset fund (Unrestricted)

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

Revenue grants

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

Transfers

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

21. Analysis of group net assets between funds

	General Fund £	Designated Fund £	Restricted Funds £	Total £
Tangible fixed assets	194,507	87,161	-	281,668
Cash at bank and in hand	201,252	-	-	201,252
Other net current assets	19,741	-	-	19,741
Creditors of more than one year	-	-	-	-
	<u>415,500</u>	<u>87,161</u>	<u>-</u>	<u>502,661</u>

22. Adoption of FRS 102

No adjustments, in respect of the transition to FRS102, have been made to the comparative years results.