

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

for the year ended
31st March 2023

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 2023

Contents	Page
Members of the board and professional advisers	1
Trustees' annual report	2 - 6
Statement of Trustees' responsibilities	7
Independent auditors' report	8 - 11
Consolidated Statement of financial activities	12
Consolidated balance sheets	13
Notes to the consolidated financial statements	14 - 24

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

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2023

Members of the Board and professional advisors

Chairman D Mashender

Treasurer C Inch

The board of trustees

Elected Trustees C Inch
D Inch
M A Hodgkinson
D L Masheder
J F Sheehan
K Hawitt
P Bell

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

Company secretary M S Arnold

Registered office 33 Ditton Road
Widnes
Cheshire
WA8 0PP

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

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

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2023

The trustees are pleased to present their report together with the financial statements of the group and of the charity for the year ended 31st March 2023.

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 consolidated 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 charity are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

Structure, governance and management

Constitution

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.

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

Organisational structure

The organisational structure consists of 2 levels: board of trustees and charity management.

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the charity by use of budgets and making decisions about the direction of the charity, capital expenditure and senior staff appointment.

The charity management solely comprises CEO, M S Arnold, who is responsible for charity performance, oversight of safeguarding, the use of resources, the development, management and operations of the group and the charity.

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.

Risk Management

The trustees have a risk management strategy which comprises:

- A review of the risks the charity may face with
- 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 2023

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 provide revenue to assist with the running costs of the charity.

The charity has a close relationship with Halton Borough Council who provides 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.

Objectives and activities

The Charity Commission's guidance on public benefit

The trustees confirm they have had regard to the charities commission's guidance on public benefit. The charity provides transport for disabled people and community groups in Halton.

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

Achievements and performance	2022/23	2021/22	2020/21	2019/20	2018/19
Passenger trips					
Dial a Ride (inc Merseylink)	33,248	23,062	5,833	70,094	57,864
Community Buses (inc Schools)	38,202	36,856	14,640	61,344	59,304
Total Passenger Trips	71,540	59,918	20,473	135,642	121,800
Vehicles	24	25	26	24	26
Staff Employed	21	17	15	15	16
Volunteers	32	40	43	48	48

We have now fully recovered from all the lockdowns and turmoil's linked to the pandemic and are a stronger and more dynamic organisation, even though figures are not back to pre-pandemic levels.

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2023

Financial review

At year-end, the group has unrestricted income funds comprising general fund of £158,483 (2022: £296,611) and designated fixed asset fund of £81,855 (2022: £84,408). The general fund is used for maintaining the group's operations in all aspects. The utilisation of the latter fund solely represents the annual depreciation of the relevant amount attributable to land and buildings.

The group maintains cash and bank balance of £69,796 (2022: £122,313) and has net current assets of £32,898 (2022: £138,439) at year-end which enables us to prepare the financial statements of the group and HCT on a going concern basis. We are unaware of any uncertainties to cause the group and HCT not to continue as a going concern.

One of our old fleets of was disposed of and 3 new to us vehicles were brought onto the fleet. One outright purchase and two on Hire Purchase for the new contract.

Halton Borough Council continues to support HCT via its 'Dial A Ride' support funding which did remain at £60,630 p.a. for its final year, having been informed of a 50% reduction last year we were given a last minute reprieve. School contract work and the numbers of SEN School Contracts remain strong and have increased to full capacity for us, we also managed to negotiate a minor cost increase due to higher fuel and operating costs.

We have been assured the 50% cut from Halton BC will occur next year (2023/24), we may have to reduce our services in-line with that cut.

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 Extra Mile Transport Company Limited has had increased activity this year and turnover continues to increase as does its donation to HCT, there was also some further investment in the Garage to ensure its growth.

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

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

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

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

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2023

of interest which matches or exceeds inflation as measured by the retail prices index.

Reserves policy

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

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

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

Plans for future periods

HCT have continued development and our moves towards the 'Liverpool City Region' to expand our Regional Dial A Ride Operation Merseylink, as we now have three routes, two in the neighbouring St. Helens area and one in the neighbouring South Liverpool area.

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 also recognise that Year 2023/24 will include a renewal of the Halton BC SEN School Contracts and our need to try and balance our income from these with that of the LCR.

Volunteers

The charity is grateful for the efforts of its volunteers who act as drivers, administration staff, passenger assistants and Board Members. Even though we have lost several volunteers to ill health and age related infirmity we still managed to give some 15,781 volunteer hours to the Halton Community with a value of £299,839 (Halton average earnings figures of £19 per hour ONS 2023). This is the true measure of the organisations Social Value and real value to the Halton economy demonstrating the continued importance of our services.

Exemptions from disclosure

The charity is not exempt from disclosure of names of trustees the charity's principal address, the name of auditor and senior statutory auditors.

Funds held as custodian trustee on behalf of others

The charity does not hold any fund as custodian for others.

The Trustees

The trustees who served the charity 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 2023

Auditors

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

Registered office:

33 Ditton Road
Widnes
Cheshire
WA8 0PP

Signed by order of the
Trustees

A handwritten signature in black ink, appearing to read 'M S Arnold', is written over the printed name.

M S Arnold
Company secretary
Approved by the trustees on 1st December

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31ST
MARCH 2023**

Trustees' responsibilities in relation to the consolidated 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 consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

In preparing these consolidated 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 consolidated financial statements on the going concern basis unless it is inappropriate to presume that the group and the charitable company 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 group and the charitable company and enable them to ensure that the consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Mitchell Charlesworth (Audit) Limited

Chartered Accountants

Glebe Business Park Lunts Heath Road Widnes Cheshire

HALTON COMMUNITY TRANSPORT LIMITED A COMPANY LIMITED BY GUARANTEE

Independent Auditor's Report to the Members of Halton Community Transport Limited Year ended 31 March 2023

Opinion

We have audited the consolidated financial statements of Halton Community Transport Limited (the 'charity') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheets and notes to the accounts, including significant accounting policies. 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) and the Charities SORP 2019.

In our opinion the consolidated financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 March 2023, 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;
- have been prepared in accordance with the requirements of the Companies Act 2006, and
- have been prepared in accordance with the Charities SORP 2019.

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 consolidated financial statements section of our report. We are independent of the group and charity in accordance with the ethical requirements that are relevant to our audit of the consolidated 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

In auditing the consolidated financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the consolidated financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or charity's ability to continue as a going concern for a period of at least twelve months from when the consolidated financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report other than the consolidated financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the consolidated 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the consolidated 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 consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the consolidated financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the consolidated financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible for assessing the group's and charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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 consolidated 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.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the charity's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the 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;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the consolidated financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the charity for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the charity's statement of financial activities, (ii) the charity's accounting policy for revenue recognition, and (iii) the overstatement of salary and other costs. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the consolidated financial statements. The key laws and regulations we considered in this context included: the Companies Act 2006 and Charities SORP 2019.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the academy's ability to operate or to avoid a material penalty. This includes regulations concerning Data Protection and Safeguarding.

Audit response to risks identified

As a result of performing the above, we identified income recognition, override of controls and adherence to laws and regulations as the key audit matters related to the potential risk of fraud.

Our procedures to respond to risks identified included enquiry of management, those charged with governance around actual and potential litigation and claims, reviewing consolidated financial statements disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the consolidated financial statements, performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud and in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the consolidated 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 charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Glebe Business Park
Lunts Heath Road
Widnes
Cheshire
WA8 5SQ

1st December 2023

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

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

Year ended 31st March 2023

		Unrestricted Funds	Restricted Funds	Total Funds Year to 31st March 2023	Total Funds Year to 31st March 2022
	Note	£	£	£	£
Incoming resources					
<i>Incoming resources from generated funds</i>					
<i>Activities for generating funds</i>					
Commercial trading operations		130,913	-	130,913	112,974
<i>Investment income</i>	6	<u>132</u>	<u>-</u>	<u>132</u>	<u>21</u>
		131,045	-	131,045	112,995
<i>Incoming resources from charitable activities:</i>					
Donations		-	-	-	5
Operation of transport services	7	<u>616,924</u>	<u>-</u>	<u>616,924</u>	<u>536,029</u>
Total incoming resources		<u>747,969</u>	<u>-</u>	<u>747,969</u>	<u>649,029</u>
Resources expended					
<i>Costs of generating funds:</i>					
Commercial trading operations		46,325	-	46,325	35,869
Investment management costs		<u>9,052</u>	<u>-</u>	<u>9,052</u>	<u>2,409</u>
Sub total cost of generating funds		55,377	-	55,377	38,278
<i>Charitable activities:</i>					
Operation of transport services	8	824,173	-	824,173	723,973
<i>Governance costs</i>	10	<u>9,300</u>	<u>-</u>	<u>9,300</u>	<u>8,420</u>
Total resources expended		<u>888,850</u>	<u>-</u>	<u>888,850</u>	<u>770,671</u>
Net outgoing resources before transfers		(140,881)	=	(140,881)	(121,642)
Gross transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		(140,881)	=	(140,881)	(121,642)
Reconciliation of funds					
Total funds brought forward		<u>381,019</u>	<u>-</u>	<u>381,019</u>	<u>502,661</u>
Total funds carried forward		<u>240,138</u>	<u>-</u>	<u>240,138</u>	<u>381,019</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 group are classed as continuing.

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

Consolidated Balance Sheets as at 31st March 2023

		Group		Charity	
		31st March 2023	31st March 2022	31st March 2023	31st March 2022
Fixed assets					
Tangible assets	16	268,337	256,088	268,288	255,967
Investment	17	-	-	1	1
		<u>268,337</u>	<u>256,088</u>	<u>268,289</u>	<u>255,968</u>
Current assets					
Stocks	18	3,611	4,501	3,611	4,501
Debtors	19	40,782	61,843	55,478	76,359
Cash at bank and in hand		69,796	122,313	58,024	109,278
		<u>114,189</u>	<u>188,657</u>	<u>117,113</u>	<u>190,138</u>
Creditors: Amounts falling due within one year	20	<u>81,291</u>	<u>50,218</u>	<u>73,850</u>	<u>45,528</u>
Net current assets		<u>32,898</u>	<u>138,439</u>	<u>43,263</u>	<u>144,610</u>
Total assets less current liabilities		301,235	394,527	311,552	400,578
Creditors: Amounts falling due after more than one year	21	<u>61,097</u>	<u>13,508</u>	<u>61,097</u>	<u>13,508</u>
Net assets		<u>240,138</u>	<u>381,019</u>	<u>250,455</u>	<u>387,070</u>
The funds of the group and the charity					
Restricted income funds		-	-	-	-
Unrestricted income funds					
General fund		158,483	296,611	168,800	302,662
Designated fixed asset fund		81,655	84,408	81,655	84,408
Total funds	22	<u>240,138</u>	<u>381,019</u>	<u>250,455</u>	<u>387,070</u>

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

These consolidated financial statements were approved by the members of the committee and authorised for issue on the 1st December 2023 and are signed on their behalf by:



M Arnold
Company secretary and CEO

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

Notes to the Consolidated financial statements

1. Accounting Policies

Basis of Preparation and Consolidation

The consolidated financial statements have been prepared under the historical cost convention. The consolidated 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 consolidated financial statements are set out below.

These consolidated financial statements consolidate the assets, liabilities, income resources and resources expended of the charity and its wholly owned subsidiary Extra Mile Transport Company Limited (hereafter collectively referred to as the ‘group’) on a line-by-line basis and all intra-group transactions balances, income and expenses are eliminated on consolidation.

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.

Going concern

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

Statement of Cash Flows

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 flows.

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 group 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 Consolidated financial statements

Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these consolidated 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 group 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%

Investment

Investment is initially measured at transaction price excluding transaction costs, and is subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the Halton Community Transport. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting end date, the Halton Community Transport reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Stock

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

HALTON COMMUNITY TRANSPORT

A COMPANY LIMITED BY GUARANTEE

Notes to the Consolidated financial statements

Provision

Provisions are recognised when the group and the charity have an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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 discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Funds structure

The group 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 group.

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

Pension costs

The group 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.

Finance and operating leases

Where the group 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.

Rentals under operating leases are charged on a straight-line basis over the lease term.

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.

HALTON COMMUNITY TRANSPORT A COMPANY LIMITED BY GUARANTEE

Notes to the Consolidated financial statements

2. Judgements and key sources of estimation uncertainty

In the application of the group's and the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. 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.

4. 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:

	2023	2022
	£	£
Gross incoming resources	698,132	619,537
Total expenditure on charitable activities	(822,278)	(721,747)
Investment costs	(5,519)	(259)
Governance costs	(6,950)	(6,170)
Net incoming/(outgoing) resources	(136,615)	(108,639)
Total funds brought forward	<u>387,070</u>	<u>495,709</u>
Total funds carried forward	<u>250,455</u>	<u>387,070</u>
Represented by:		
Restricted income funds	-	-
Unrestricted income funds	<u>250,455</u>	<u>387,070</u>
	<u>250,455</u>	<u>387,070</u>

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

Notes to the Consolidated financial statements

5. 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 proportion of its profits to the charity by way of donation. The subsidiary is used for non-primary trading purposes.

The trading results of the subsidiary are summarised below.

	2023	2022
	£	£
Turnover	130,913	112,974
Cost of sales and administration costs	<u>(54,103)</u>	<u>(42,495)</u>
Net profit	76,810	70,479
Amount gift aided to charity	(81,080)	(83,494)
Taxation	-	-
Interest received	<u>4</u>	<u>12</u>
Absorbed by subsidiary	<u>(4,266)</u>	<u>(13,003)</u>

The assets and liabilities of the subsidiary were:

Fixed assets	49	121
Current assets	11,772	13,215
Current liabilities	<u>(22,137)</u>	<u>(19,386)</u>
Total net assets	<u>(10,316)</u>	<u>(6,050)</u>

Aggregate share capital and reserves	<u>(10,316)</u>	<u>(6,050)</u>
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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 (2022: £nil).

A balance of £14,696 (2022: £14,696) was due from Extra Mile Transport Company Limited at the year end to Halton Community Transport.

6. Investment income

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

7. Incoming resources from charitable activities

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

	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
	£	£	£	£
Grants	60,630	-	60,630	-
Fares	64,996	-	64,996	115,883
Council contracts	204,263	-	204,263	137,024
Mersey link	284,535	-	284,535	233,621
CJRS income	-	-	-	47,251
Profit on disposal of fixed assets	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>2,250</u>
	<u>616,924</u>	<u>-</u>	<u>616,924</u>	<u>536,029</u>

HALTON COMMUNITY TRANSPORT
A COMPANY LIMITED BY GUARANTEE

Notes to the Consolidated financial statements

8. Costs of charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Direct charitable activity	765,474	-	765,474	648,711
Support costs	58,699	-	58,699	75,262
	<u>824,173</u>	<u>-</u>	<u>824,173</u>	<u>723,973</u>

9. Costs of charitable activities by activity type

	Activities undertaken directly	Support costs	Total Funds 2023	Total Funds 2022
	£	£	£	£
Direct charitable activity	765,474	58,699	824,173	723,973

10. Governance costs

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Audit and accountancy	9,300	-	9,300	8,420

11. Trustees' emoluments

None of the trustees (or any persons connected with them) received any remuneration or benefits from the group and the charity during the year (2022: £nil).

12. Analysis of staff costs

	2023	2022
	£	£
Salaries and wages	396,354	359,503
Social security costs	27,454	23,333
Pension costs	9,024	9,173
	<u>432,832</u>	<u>392,009</u>

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

The group contributes to a personal pension plan on behalf of its employees. No contributions were payable to the fund at 31st March 2023 (2022: £Nil).

HALTON COMMUNITY TRANSPORT
A COMPANY LIMITED BY GUARANTEE

Notes to the Consolidated financial statements

13. Staff numbers

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

	2023 Number	2022 Number
Charitable activities	18	12
Management and administration	<u>2</u>	<u>4</u>
	<u>20</u>	<u>16</u>

14. Movement in total funds for the year

	2023 £	2022 £
This is stated after charging:		
Depreciation of owned fixed assets	65,126	61,574
Depreciation of fixed assets held under hire purchase agreements	25,333	12,600
Auditor's remuneration:		
External audit	9,300	8,420
Other audit services	1,650	1,500
Other services	1,114	2,919

15. Taxation

The charity is a registered charity and no provision is considered necessary for taxation. The trading subsidiary had no corporation tax liability (2022 - £Nil).

16. Tangible fixed assets – group

	Freehold Property £	Fixtures, Fittings & Equipment £	Motor Vehicles £	Total £
Cost				
At 1st April 2022	158,437	124,964	843,099	1,126,500
Additions	-	-	102,708	102,708
Disposals	-	-	(7,750)	(7,750)
At 31st March 2023	<u>158,437</u>	<u>124,964</u>	<u>938,057</u>	<u>1,221,458</u>
Depreciation				
At 1st April 2022	61,538	107,032	701,842	870,412
Charge for the year	3,167	4,364	82,928	90,459
Released on disposals	-	-	(7,750)	(7,750)
At 31st March 2023	<u>64,705</u>	<u>111,396</u>	<u>777,020</u>	<u>953,121</u>
Net book value				
At 31st March 2023	<u>93,732</u>	<u>13,568</u>	<u>161,037</u>	<u>268,337</u>
At 31st March 2022	<u>96,899</u>	<u>17,932</u>	<u>141,257</u>	<u>256,088</u>

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

Notes to the Consolidated financial statements

16 Tangible fixed assets – Charity (continued)

	Freehold Property £	Fixtures, Fittings & Equipment £	Motor Vehicles £	Total £
Cost				
At 1st April 2022	158,437	109,958	843,099	1,111,494
Additions	-	-	102,708	102,708
Disposals	-	-	(7,750)	(7,750)
At 31st March 2023	<u>158,437</u>	<u>109,958</u>	<u>938,057</u>	<u>1,206,452</u>
Depreciation				
At 1st April 2022	61,538	92,147	701,842	855,527
Charge for the year	3,167	4,292	82,928	90,387
Released on disposals	-	-	(7,750)	(7,750)
At 31st March 2023	<u>64,705</u>	<u>96,439</u>	<u>777,020</u>	<u>938,164</u>
Net book value				
At 31st March 2023	<u>93,732</u>	<u>13,519</u>	<u>161,037</u>	<u>268,288</u>
At 31st March 2022	<u>96,899</u>	<u>17,811</u>	<u>141,257</u>	<u>255,967</u>

The net book value of assets held on hire purchase at the year end was £32,433 (2022: £6,533) and the depreciation charge for the year was £25,333 (2022: £12,600).

17 Investment – Charity

	2023 £	2022 £
Cost		
At 31st March 2022, 1 April 2022 and 31st March 2023	<u>1</u>	<u>1</u>
Carrying amount		
At 31st March 2022, 1 April 2022 and 31st March 2023	<u>1</u>	<u>1</u>

Details of the Halton Community Transport's subsidiary at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% of directly held
Extra Mile Transport Company Limited	33 Ditton Road Widnes, Cheshire WA8 0PP	Vehicle repairs and maintenance and provision of fuel	Ordinary Share	100%

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

Notes to the Consolidated financial statements

18. Stocks

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Stocks	<u>3,611</u>	<u>4,501</u>	<u>3,611</u>	<u>4,501</u>

19. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	30,477	18,976	30,477	18,796
Amounts due from subsidiary undertaking	-	-	14,696	14,696
Other debtors	<u>10,305</u>	<u>42,867</u>	<u>10,305</u>	<u>42,867</u>
	<u>40,782</u>	<u>61,843</u>	<u>55,478</u>	<u>76,359</u>

20. Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	9,300	6,170	6,950	6,170
Other taxes and social security costs	12,113	9,389	8,113	6,849
Hire purchase agreements	17,744	3,744	17,744	3,744
Other creditors and accruals	<u>42,134</u>	<u>30,915</u>	<u>41,043</u>	<u>28,765</u>
	<u>81,291</u>	<u>50,218</u>	<u>73,850</u>	<u>45,528</u>

Hire purchase agreements disclosed under creditors falling due within one year are secured against the assets to which they relate.

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

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Hire purchase agreements	<u>61,097</u>	<u>13,508</u>	<u>61,097</u>	<u>13,508</u>

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

Hire purchase agreements disclosed under creditors falling due after more than one year are secured against the assets to which they relate.

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

Notes to the Consolidated financial statements

22. Analysis of charitable funds

Analysis of unrestricted fund movements

Group	Fund at 31st March 2022	Incoming resources	Resources expended	Transfers	Fund at 31st March 2023
	£	£	£	£	£
General fund	296,611	747,969	(886,097)	=	158,483
Designated fixed asset fund	<u>84,408</u>	<u>-</u>	<u>(2,753)</u>	<u>-</u>	<u>81,655</u>
Total	<u>381,019</u>	<u>747,969</u>	<u>(888,850)</u>	<u>-</u>	<u>240,138</u>

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

Fixed asset fund (Restricted)

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

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.

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.

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

Notes to the Consolidated financial statements

23. Analysis of group net assets between funds

As at 31th March 2023

	General Fund	Designated Fixed Asset Fund	Restricted Income Funds	Total
	£	£	£	£
Tangible fixed assets	186,682	81,655	-	268,337
Cash at bank and in hand	69,796	-	-	69,796
Other net current liabilities	(36,898)	-	-	(36,898)
Creditors of more than one year	<u>(61,097)</u>	<u>-</u>	<u>-</u>	<u>(61,097)</u>
	<u>158,483</u>	<u>81,655</u>	<u>-</u>	<u>240,138</u>

As at 31th March 2022

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