

COMPANY REGISTRATION NUMBER: 04376941
CHARITY REGISTRATION NUMBER: 1094918

**Mendip Community Transport
Company Limited by Guarantee
Financial Statements
31 March 2024**

BISHOP JONES

Chartered accountants & statutory auditor
9 Sadler Street
Wells
Somerset
BA5 2RR

Mendip Community Transport

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2024

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Mendip Community Transport

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2024.

Reference and administrative details

Registered charity name Mendip Community Transport

Charity registration number 1094918

Company registration number 04376941

Principal office and registered office Unit 10A
Quarry Way Business Park
Waterlip
Shepton Mallet
Somerset
BA4 4RN

The trustees

R E Powell	
I A Martyn	(Resigned 12 March 2024)
R M Harris	(Resigned 15 June 2023)
R J Leworthy	
R Reynolds	
B Knickerbocker	
H Shearer	(Appointed 31 August 2023)
S Neads	(Appointed 15 June 2023)

Company secretary Martyn Starnes FCCA

Auditor Michele Bishop FCA CTA ATT FMAAT
Bishop Jones
Chartered accountants & statutory auditor
9 Sadler Street
Wells
Somerset
BA5 2RR

Mendip Community Transport

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Structure, governance and management

Background

Mendip Community Transport was formed in 2002 and is a registered charity (No. 1094918) and a company (No. 04376941) limited by guarantee. There are no shareholders.

MCT has offices at Quarry Way Business Park, Waterlip near Shepton Mallet where the operations and administration teams are based. It operates a fleet of 30 vehicles based at various locations across the Mendip and Sedgemoor districts in proximity to their operational area. The majority of its vehicles (26) are accessible having been fitted with tail lifts or ramps to accommodate passengers with a range of mobility issues.



In addition, MCT operates a Hospital Car Scheme managing a team of approximately 30 volunteer drivers who use their own vehicles to provide transport to and from medical appointments.

Charitable purpose and activities

The declared objective of the Charity when it was originally established was '.... to provide a community transport service for such of the inhabitants of Somerset, particularly Mendip, and its neighbourhood who are in need of such a service because of age, sickness or disability (mental or physical), or poverty, or because of a lack of availability of adequate and safe public passenger services.'

This remains the focus of the activity that the Charity undertakes today, although the area served now extends into the adjoining district of Sedgemoor.

Appointment of trustees/directors

The Trustees are the Directors of the company. The Directors are appointed by the members of Mendip Community Transport at an Annual General Meeting of the company in accordance with the Articles of Association. In addition, the Directors may appoint persons to fill any casual vacancies which occur during the year and may also co-opt a limited number of additional persons to the Board.

Mendip Community Transport

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Trustees induction and training

New Trustees are briefed on their legal obligations under charity and company law, the content of the memorandum and articles of association, the committee and decision making process, the business plan and recent financial performance. New Trustees meet key employees and the other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate their understanding of their role.

Objectives and activities

The charity was established to provide transport for all community groups and individuals whose needs are not met by conventional transport. In particular it caters for the needs of the elderly, the disabled, the young, the mobility impaired and the socially excluded. The Trustees have referred to the guidance on public benefit contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Policies

The following is a summary of the policies adopted by the charity in furtherance of its objects:

- To provide "safe" transport for all its client groups.
- To complement the services provided by the main bus companies for its various client groups.
- To provide specialised transport to disadvantaged groups to go some way to addressing the problems of social exclusion and isolation deprivation which are apparent in rural communities in the Mendip & Sedgemoor areas.
- To continue its policy of establishing close links with other organisations within its area of operations which in turn helps to improve the quality of life for all the residents it serves.

Structure of Mendip Community Transport

Responsibility for the strategic management of the charity, policy making and the monitoring of its work rests with the Board of Trustees/Directors. These individuals are all volunteers.

The paid staff of the organisation are headed by the Chief Executive who is responsible to the Board for all aspects of the day to day running of the organisation and for advising on all matters relating to this work.

At 31 March 2024 Mendip Community Transport employed 55 staff calculated on the basis of average monthly number of employees - (2023 - 51). During 2023/24 - 30 volunteers (2022/23 - 31) gave their services to the organisation in all areas of activity. Mendip Community Transport is a member of the Community Transport Association.

Strategic report

The following sections for achievements and performance, financial review and plans for future periods form the strategic report of the charity.

Achievements and performance

This is the Board of Trustees of Mendip Community Transport annual report and financial statements for the year ended 31 March 2024.

Mendip Community Transport

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Our services

Mendip Community Transport operates a range of different services including:

Slinky bus (DRT)

The Slinky Bus is a door-to-door Demand Responsive Transport service funded by Somerset County Council for people not served by or unable to access conventional transport services. The service operates between 9am and 5pm Monday to Friday and can be used for a range of purposes including, getting to local health appointments, shopping, attending classes, and visiting friends and family.

MCT operated six vehicles; three in Mendip and three in Sedgemoor, on behalf of Somerset County Council. The current contract is due to run until September 2024.



Service bus (route 67 & route 665)

These services are provided on behalf of Somerset County Council. They were established to help reduce the rural isolation experienced by some residents following the withdrawal of the previous bus service. Route 67 operates Monday to Saturday between Wookey, Wells and Wedmore. Route 665 runs on a Tuesday and Friday from Kingweston to Yeovil.

Glastonbury tor bus (Route 196)

This service is provided on behalf of Somerset County Council and Glastonbury Town Council. It operates 7 days a week from the beginning of April through to the end of September and provides access to the Tor from the centre of the town.

Group travel

Mendip Community Transport provides transport for various clubs, societies, care homes and schools across the Mendip and Sedgemoor Districts.

School transport

Mendip Community Transport operates school routes on behalf of Somerset County Council, many of which are specifically for pupils with Special Educational Needs who are supported by a Passenger Assistant provided by MCT.

Hospital cars

Mendip Community Transport established this service in 2005 to provide transport for individuals needing to attend hospital out-patient appointments.

Mendip Community Transport

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

There are currently approximately 30 volunteer drivers from across Mendip and parts of Sedgemoor who volunteer their time and use their own vehicles in return for reimbursement of their mileage expenses.

Utilisation of services

The recovery in the overall utilisation of MCT services has been broadly in line with the national figures for public transport.

Use of the Slinky Bus (DRT) service has increased steadily following the end of the Coronavirus lockdown and utilisation has returned to around 98% of the pre-pandemic levels. The total number of passenger journeys undertaken during the year to March 2023 was 22,497 compared to 22,127 in the previous 12 months. The number of passengers using the Route 67 increased by 12.5% to 18,712 journeys & Route 665 services increased by 18.2% to 1,701 journeys. Group Travel bookings, however, have been slower to recover.

Fuel cost & supply chain issues

The year to March 2024 continued to be challenging as the Charity managed the inflationary pressures and supply chain problems impacting the duration and cost of the servicing and repair of vehicles. Sourcing new vehicles to refresh the fleet also continued to be difficult with extended lead times, lack of availability and increasing prices being experienced.

Mendip Community Transport

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Financial review

The financial position and performance of Mendip Community Transport is in line with the expectations of the Trustees, based on the monitoring of income and expenditure throughout the year. The uncertainty and challenges resulting from rising costs in the economy led to Shepton Mallet Treatment Centre cancelling their contract with effect from June 2024. This did not affect the financial position of the Charity for the reporting period but will adversely impact turnover by around 6% in 2024/25.

Total income was £1,061,429 for the year compared to £981,896 in the previous year, while the total expenditure was £1,135,266 (2023 - £1,029,420). This produced a net movement of funds of -£73,837.

Balance sheet

At the year end the charity's net assets were £837,225 (2023 - £911,062), of which £385,381 (2023 - £412,859) represented general unrestricted funds and £451,844 (2023 - £498,203) represented designated funds held in respect of the vehicle replacement programme. The Board considers that the balance of assets as at the year-end was satisfactory.

Reserve policy

The Board has established a policy whereby sufficient unrestricted funds not held for fixed assets ("free reserves") should be accumulated over time to enable the continuation of the charity's operations for a minimum period of six months taking into account any liabilities that are likely to crystallise in the event of the charity partly or wholly ceasing operations and to provide for the funding of anticipated capital expenditure.

General funds

At 31 March 2024 the reserves held in the General Fund of the charity amounted to £837,225 (2023 - £911,062) of which £191,844 (2023 - £238,203) was represented by fixed assets; £10,000 was represented by investments in the subsidiary (2023 - £10,000); and £250,000 was represented by a designated fund for the future replacement of vehicles (2023 - £250,000). This leaves free reserves of £385,381 (2023 - £412,859) and Restricted Reserves of £Nil (2023 - £Nil). This level of reserves is within the parameter set by the Board's reserves policy and is considered satisfactory.

Investment policy

The Board has the power to invest in such areas as it sees fit. However, the present policy is to place cash reserves on interest bearing deposit accounts.

Going concern assessment

The trustees have considered the going concern status of the charity and conclude that there are no material uncertainties affecting the ability of the charity to continue as a going concern.

Risk management

The Board has assessed the major risks to which the Charity is exposed and has systems and contracts in place to mitigate any impact those risks may present in the future.

Mendip Community Transport

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Plans for future periods

The Charity receives no funding from Somerset County Council apart from the contracted services. The senior management of the charity and its Trustees/Directors are conscious that local authority support will continue to be minimal over the coming years and continue to try and replace the shortfall by expanding the Charity's customer base. MCT however is grateful for the financial support it receives from a number of Town & Parish Councils in the areas it covers.

The management and Trustees/Directors remain conscious of the need to diversify and find new income streams and as a result the company's wholly owned subsidiary was incorporated on 12 January 2006. The subsidiary, MCT Trading Limited was established to operate any commercial activities which might augment the services provided by the charity. The charity invested the sum of £10,000 by way of share purchase in the subsidiary company.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Mendip Community Transport

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*


Year ended 31 March 2024

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 19 December 2024 and signed on behalf of the board of trustees by:



B Knickerbocker
Trustee



Martyn Starnes FCCA
Charity Secretary

Mendip Community Transport

Company Limited by Guarantee

Independent Auditor's Report to the Members of Mendip Community Transport

Year ended 31 March 2024

Opinion

I have audited the financial statements of Mendip Community Transport (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its 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.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the FRC's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

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

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

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

Mendip Community Transport

Company Limited by Guarantee

Independent Auditor's Report to the Members of Mendip Community Transport (continued)

Year ended 31 March 2024

Other information

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

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

I have nothing to report in this regard.

Other matters

The comparative figures within these financial statements have not been audited, as the charity took advantage of the exemption under s477 of the Companies Act 2006 for the year ended 31 March 2023.

Opinions on other matters prescribed by the Companies Act 2006

In my 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 trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which i am required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, I have not identified material misstatements in the trustees' report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by me; or
- the 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
- I have not received all the information and explanations I require for my audit.

Mendip Community Transport

Company Limited by Guarantee

Independent Auditor's Report to the Members of Mendip Community Transport (continued)

Year ended 31 March 2024

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My 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 my 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. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which my procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our audit, we considered the potential for non-compliance with laws and regulations, including fraud, that could have a material impact on the financial statements of the charity. Our audit procedures were designed to respond to risks of material misstatement identified as resulting from irregularities, including fraud, and were carried out in accordance with applicable auditing standards.

The following outlines the procedures we performed to address this matter:

Understanding the legal and regulatory framework

We gained an understanding of the legal and regulatory framework applicable to the charity, including relevant provisions of the Charities Act, the Companies Act 2006, and the requirements of the Charity SORP and FRS 102. We considered how the charity complies with these frameworks and assessed the risks of non-compliance.

Management and trustee enquiries

We made specific enquiries of management and trustees to understand the systems and processes in place to identify and address non-compliance with laws and regulations, and to identify risks of fraud. We also discussed whether any known instances of fraud or irregularities had occurred.

Mendip Community Transport

Company Limited by Guarantee

Independent Auditor's Report to the Members of Mendip Community Transport (continued)

Year ended 31 March 2024

Assessing risk of fraud

In identifying and assessing risks of material misstatement due to fraud, we considered:

- Areas where management could override controls, such as revenue recognition and fund classifications.
- The potential for fraudulent financial reporting through manipulation of accounting estimates or misclassification of income or expenditure.
- The risk of misappropriation of assets, including cash and grants.

Audit procedures performed

To address the risks identified, we:

- Tested journal entries and adjustments made in the preparation of the financial statements, focusing on entries made outside the normal course of business.
- Reviewed accounting estimates for potential bias, particularly those related to income recognition, depreciation, and impairment allowances.
- Evaluated the business rationale for significant or unusual transactions.
- Conducted substantive testing and analytical procedures over income, expenses, and fund movements to detect irregularities.
- Performed a review of correspondence with regulators and other third parties to identify potential non-compliance.

Communication with trustees

We communicated identified risks and irregularities to the trustees, including the risks of fraud and non-compliance, and reported our findings.

Inherent limitations

While our audit was designed to provide reasonable assurance that the financial statements are free from material misstatement, whether due to fraud or error, it is not a guarantee that all irregularities, including fraud, will be detected. The risk of not detecting irregularities is higher for irregularities involving collusion, forgery, intentional omissions, or misrepresentations.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Mendip Community Transport

Company Limited by Guarantee

Independent Auditor's Report to the Members of Mendip Community Transport (continued)

Year ended 31 March 2024

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Use of my 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. My audit work has been undertaken so that I might state to the charity's members those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for my audit work, for this report, or for the opinions I have formed.



Michele Bishop FCA CTA ATT FMAAT
Bishop Jones
Chartered accountants & statutory auditor
9 Sadler Street
Wells
Somerset
BA5 2RR

19 December 2024

Mendip Community Transport
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2024

		2024		2023
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	29,314	29,314	10,771
Charitable activities	6	1,024,428	1,024,428	931,647
Investment income	7	6,807	6,807	3,536
Other income		880	880	35,942
Total income		<u>1,061,429</u>	<u>1,061,429</u>	<u>981,896</u>
Expenditure				
Expenditure on charitable activities	8,9	<u>1,135,266</u>	<u>1,135,266</u>	<u>1,029,420</u>
Total expenditure		<u>1,135,266</u>	<u>1,135,266</u>	<u>1,029,420</u>
Net expenditure and net movement in funds		<u>(73,837)</u>	<u>(73,837)</u>	<u>(47,524)</u>
Reconciliation of funds				
Total funds brought forward		<u>911,062</u>	<u>911,062</u>	<u>958,586</u>
Total funds carried forward		<u>837,225</u>	<u>837,225</u>	<u>911,062</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 27 form part of these financial statements.

Mendip Community Transport

Company Limited by Guarantee

Statement of Financial Position

31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	16	191,844	238,203
Investments	17	10,000	10,000
		<u>201,844</u>	<u>248,203</u>
Current assets			
Debtors	18	227,912	176,814
Cash at bank and in hand		445,431	515,778
		<u>673,343</u>	<u>692,592</u>
Creditors: amounts falling due within one year	19	37,962	29,733
Net current assets		<u>635,381</u>	<u>662,859</u>
Total assets less current liabilities		<u>837,225</u>	<u>911,062</u>
Net assets		<u>837,225</u>	<u>911,062</u>
Funds of the charity			
Unrestricted funds		837,225	911,062
Total charity funds	21	<u>837,225</u>	<u>911,062</u>

These financial statements were approved by the board of trustees and authorised for issue on 19 December 2024, and are signed on behalf of the board by:



B Knickerbocker
Trustee

The notes on pages 17 to 27 form part of these financial statements.

Mendip Community Transport

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities		
Net expenditure	(73,837)	(47,524)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	53,936	72,548
Other interest receivable and similar income	(6,807)	(3,536)
Interest payable and similar charges	–	647
Gains on disposal of tangible fixed assets	–	(35,257)
Accrued expenses/(income)	3,549	(3,340)
<i>Changes in:</i>		
Trade and other debtors	(46,817)	(31,268)
Trade and other creditors	399	8,845
Cash generated from operations	(69,577)	(38,885)
Interest paid	–	(647)
Interest received	6,807	3,536
Net cash used in operating activities	(62,770)	(35,996)
Cash flows from investing activities		
Purchase of tangible assets	(7,577)	(37,807)
Proceeds from sale of tangible assets	–	51,116
Net cash (used in)/from investing activities	(7,577)	13,309
Net decrease in cash and cash equivalents	(70,347)	(22,687)
Cash and cash equivalents at beginning of year	515,778	538,465
Cash and cash equivalents at end of year	445,431	515,778

The notes on pages 17 to 27 form part of these financial statements.

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 10A, Quarry Way Business Park, Waterlip, Shepton Mallet, Somerset, BA4 4RN.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future projects or commitments. They are not restricted and can be transferred to general funds at any time at the discretion of the Trustees.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Further explanation of the nature and purpose of each fund is included in notes to the financial statements.

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably, except as follows:

- i. when donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods;
- ii. when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-conditions have been met.

Legacy income is recognised when receipt is probable and entitlement is established. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is not included in income but is treated as a contingent asset and disclosed if material.

Investment income is included on a receivable basis.

Donations in kind comprise donated services where the costs are measurable and the services would otherwise have to be paid for to maintain operational effectiveness.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes those costs incurred in seeking voluntary contributions, costs of goods sold and other costs which include the costs of running and participating in fundraising events and collections and cost of goods purchased for resale.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis. Overhead support costs have been allocated wholly to charitable activities.

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Grants

Grants awarded are allocated to charitable activities.

Grants awarded are treated as expenditure and a liability in the accounts as soon as they become legal or constructive obligations. In the case of multi-year grant awards, the funding for all years is immediately recognised unless there are conditions which need to be met by the recipient to enable the release of subsequent years' funding.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property	- over 10 years; straight line
Motor vehicles	- over 8-10 years; straight line
Equipment	- 25% reducing balance

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Investments in associates *(continued)*

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Creditors

Creditors and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable of a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Creditors are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide,

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The charity is a company limited by guarantee and has no share capital. In the event of winding up, the liability is limited to £1.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Donations				
Donations and grants	5,470	5,470	2,340	2,340
Grants				
Bus service operators grant	5,501	5,501	8,431	8,431
Other donations and legacies				
Donation from trading subsidiary	18,343	18,343	—	—
	<u>29,314</u>	<u>29,314</u>	<u>10,771</u>	<u>10,771</u>

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

5. Donations and legacies *(continued)*

All prior year income from donations and legacies was unrestricted.

6. Charitable activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Slinky services	412,883	412,883	382,288	382,288
School and hospital services	421,235	421,235	351,638	351,638
Route and attraction services	143,936	143,936	132,850	132,850
Other transport services	46,374	46,374	64,871	64,871
	<u>1,024,428</u>	<u>1,024,428</u>	<u>931,647</u>	<u>931,647</u>

All prior year income from charitable activities was unrestricted.

7. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Interest received	<u>6,807</u>	<u>6,807</u>	<u>3,536</u>	<u>3,536</u>

All prior year income from investments was unrestricted.

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Provision of transport	801,981	801,981	724,481	724,481
Support costs	333,285	333,285	304,939	304,939
	<u>1,135,266</u>	<u>1,135,266</u>	<u>1,029,420</u>	<u>1,029,420</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Provision of transport	801,981	309,822	1,111,803	1,023,892
Governance costs	—	23,463	23,463	5,528
	<u>801,981</u>	<u>333,285</u>	<u>1,135,266</u>	<u>1,029,420</u>

10. Analysis of support costs

Support costs are allocated wholly to the charity's sole charitable activity.

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

10. Analysis of support costs *(continued)*

	Analysis of support costs activity 1	Total 2024	Total 2023
	£	£	£
Premises	13,415	13,415	14,740
General office	296,407	296,407	284,671
Governance costs	23,463	23,463	5,528
	<u>333,285</u>	<u>333,285</u>	<u>304,939</u>

11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation of tangible fixed assets	53,936	72,548
Gains on disposal of tangible fixed assets	—	(35,257)
Operating lease rentals	89,325	50,536
Fees payable for the audit of the financial statements	<u>7,499</u>	<u>—</u>

12. Independent examination fees

	2024	2023
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	—	3,560
Other financial services	<u>—</u>	<u>1,968</u>
	<u>—</u>	<u>5,528</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	684,799	619,173
Social security costs	40,496	30,275
Employer contributions to pension plans	9,303	7,986
Other employee benefits	<u>787</u>	<u>1,480</u>
	<u>735,385</u>	<u>658,914</u>

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

13. Staff costs *(continued)*

The average head count of employees during the year was 55 (2023: 51). The average number of full-time equivalent employees during the year is analysed as follows:

	2024 No.	2023 No.
Number of staff - direct charitable activities	47	44
Number of staff - admin support activities	8	7
	<u>55</u>	<u>51</u>

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £41,571 (2023:£42,094).

14. Trustee remuneration and expenses

No Trustees have been re-imbursed for their out of pocket expenses (2023: none). From February 2022 an employee of the Charity, Ian Andrew Martyn, became a Trustee. Any payments made to Mr Martyn from the Charity were in respect of his driving duties and he acts as a Trustee on a voluntary basis, in his own time. This is inline with the Memorandum and Articles of Association as amended on 9 February 2022.

15. Taxation

The charity is exempt from corporation tax on its charitable activities.

16. Tangible fixed assets

	Land and buildings £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 April 2023	1,650	891,724	36,513	929,887
Additions	—	7,504	73	7,577
At 31 March 2024	<u>1,650</u>	<u>899,228</u>	<u>36,586</u>	<u>937,464</u>
Depreciation				
At 1 April 2023	1,485	656,693	33,506	691,684
Charge for the year	165	52,957	814	53,936
At 31 March 2024	<u>1,650</u>	<u>709,650</u>	<u>34,320</u>	<u>745,620</u>
Carrying amount				
At 31 March 2024	<u>—</u>	<u>189,578</u>	<u>2,266</u>	<u>191,844</u>
At 31 March 2023	<u>165</u>	<u>235,031</u>	<u>3,007</u>	<u>238,203</u>

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

17. Investments

	Shares in group undertakings £
Cost or valuation At 1 April 2023 and 31 March 2024	10,000
Impairment At 1 April 2023 and 31 March 2024	—
Carrying amount At 31 March 2024	10,000
At 31 March 2023	10,000

All investments shown above are held at valuation.

There is no impairment charge to the value of the investment in the year.

18. Debtors

	2024 £	2023 £
Trade debtors	160,721	94,995
Amounts owed by group undertakings	29,946	29,946
Prepayments and accrued income	25,299	20,508
Other debtors	11,946	31,365
	<u>227,912</u>	<u>176,814</u>

19. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	13,067	13,700
Accruals and deferred income	11,250	3,420
Social security and other taxes	11,634	10,086
Other creditors	2,011	2,527
	<u>37,962</u>	<u>29,733</u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £9,303 (2023: £7,986).

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

21. Analysis of charitable funds

Unrestricted funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
General funds	412,859	1,061,429	(1,081,330)	(7,577)	385,381
Tangibles fixed assets	238,203	—	(53,936)	7,577	191,844
Investment in subsidiary	10,000	—	—	—	10,000
Bus replacement programme	250,000	—	—	—	250,000
	<u>911,062</u>	<u>1,061,429</u>	<u>(1,135,266)</u>	<u>—</u>	<u>837,225</u>

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
General funds	409,783	981,896	(956,872)	(21,948)	412,859
Tangibles fixed assets	288,803	—	(72,548)	21,948	238,203
Investment in subsidiary	10,000	—	—	—	10,000
Bus replacement programme	250,000	—	—	—	250,000
	<u>958,586</u>	<u>981,896</u>	<u>(1,029,420)</u>	<u>—</u>	<u>911,062</u>

Designated funds

Tangible fixed assets

These funds represent the value of tangible fixed assets held in the Balance Sheet and are included within a separate designated fund to indicate that these funds are not available to be spent within general funds or free reserves without the sale of the assets. As at the 31 March 2023 this reserve amounted to £238,203.

Investment in subsidiary

These funds represent the value of the investment held in the Balance Sheet and are included within a separate designated fund to indicate that these funds are not available to be spent within general funds or free reserves without the disposal of the investment.

Bus replacement programme

These funds have been set aside by the Trustees strategically to replace existing buses as required.

Mendip Community Transport

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

22. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	£	2024 £
Tangible fixed assets	191,844	191,844
Investments	10,000	10,000
Current assets	673,343	673,343
Creditors less than 1 year	(37,962)	(37,962)
Net assets	837,225	837,225

	Unrestricted Funds	Total Funds
	£	2023 £
Tangible fixed assets	238,203	238,203
Investments	10,000	10,000
Current assets	692,592	692,592
Creditors less than 1 year	(29,733)	(29,733)
Net assets	911,062	911,062

23. Analysis of changes in net debt

	At 1 Apr 2023	Cash flows	At 31 Mar 2024
	£	£	£
Cash at bank and in hand	515,778	(70,347)	445,431

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2024	2023
	£	£
Not later than 1 year	84,114	84,114
Later than 1 year and not later than 5 years	163,650	236,762
Later than 5 years	3,667	14,669
	251,431	335,545

25. Related parties

There are no transactions with trustees or other related parties other than those disclosed as required by the SORP elsewhere in the financial statements.

Mendip Community Transport

Company Limited by Guarantee

Management Information

Year ended 31 March 2024

The following pages do not form part of the financial statements.

Mendip Community Transport
Company Limited by Guarantee
Detailed Statement of Financial Activities
Year ended 31 March 2024

	2024 £	2023 £
Income and endowments		
Donations and legacies		
Donations and grants	5,470	2,340
Bus service operators grant	5,501	8,431
Donation from trading subsidiary	18,343	—
	<u>29,314</u>	<u>10,771</u>
Charitable activities		
Slinky services	412,883	382,288
School and hospital services	421,235	351,638
Route and attraction services	143,936	132,850
Other transport services	46,374	64,871
	<u>1,024,428</u>	<u>931,647</u>
Investment income		
Interest received	<u>6,807</u>	<u>3,536</u>
Other income		
Gain on disposal of tangible fixed assets held for charity's own use	—	35,257
Insurance claims	880	685
	<u>880</u>	<u>35,942</u>
Total income	<u><u>1,061,429</u></u>	<u><u>981,896</u></u>

Mendip Community Transport

Company Limited by Guarantee

Detailed Statement of Financial Activities *(continued)*

Year ended 31 March 2024

	2024 £	2023 £
Expenditure		
Expenditure on charitable activities		
Wages and salaries	684,799	619,173
Employer's NIC	40,496	30,275
Pension costs	9,303	7,986
Other post-retirement benefits	787	1,480
Operating leases	89,325	50,536
Rent	11,252	11,526
Rates and water	(195)	240
Light and heat	2,358	3,708
Repairs and maintenance	7,608	5,427
Insurance	30,991	27,242
Motor vehicle expenses	144,862	179,371
Other motor/travel costs	647	898
Legal and professional fees	33,306	12,856
Telephone	5,832	5,342
Other office costs	3,271	2,512
Depreciation	53,936	72,548
Interest on bank loans and overdrafts	—	647
Sundry expenses	13,927	(3,939)
Bank and credit charges	879	253
Clothing costs	280	—
Training costs	1,602	1,339
	<u>1,135,266</u>	<u>1,029,420</u>
Total expenditure	<u>1,135,266</u>	<u>1,029,420</u>
Net expenditure	<u>(73,837)</u>	<u>(47,524)</u>

Mendip Community Transport

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2024

	2024 £	2023 £
Expenditure on charitable activities		
Provision of transport		
<i>Activities undertaken directly</i>		
Wages and salaries	489,533	406,226
Employer's NIC	23,822	15,427
Operating leases	89,325	50,536
Motor vehicle expenses	144,862	179,371
Other motor/travel costs	647	898
Depreciation	52,957	71,381
Sundry expenses	835	642
	<u>801,981</u>	<u>724,481</u>
<i>Support costs</i>		
Wages and salaries	195,266	212,947
Employer's NIC	16,674	14,848
Pension costs	9,303	7,986
Other employee benefits	787	1,480
Rent	11,252	11,526
Rates and water	(195)	240
Light and heat	2,358	3,708
Repairs and maintenance	7,608	5,427
Insurance	30,991	27,242
Legal and professional fees	9,843	7,328
Telephone	5,832	5,342
Other office costs	3,271	2,512
Depreciation	979	1,167
Interest on bank loans and overdrafts	–	647
Sundry expenses	13,092	(4,581)
Bank and credit charges	879	253
Clothing costs	280	–
Training costs	1,602	1,339
	<u>309,822</u>	<u>299,411</u>
Governance costs		
Governance costs - accountancy fees	15,964	5,528
Governance costs - audit fees	7,499	–
	<u>23,463</u>	<u>5,528</u>
Expenditure on charitable activities	<u>1,135,266</u>	<u>1,029,420</u>