

**THE WESTERN DALES COMMUNITY BUS SERVICE LIMITED**

(A Company for which the liability for Members is limited by Guarantee)

Registered Number 8121670

Charity Registered number 1150051

**REPORT OF THE CHARITY TRUSTEES**

**AND ACCOUNTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022**

Registered Office:

The Cottage

Flintergill

Dent

Sedbergh

LA10 5QR

**REPORT of the CHARITY TRUSTEES of the WESTERN DALES COMMUNITY BUS SERVICE LTD**  
(Registered Number 8121670)

**Chairman and Trustee**  
**Trustees**

**J R Cairns**  
**P M Ayers**  
**N J Cleeveley**  
**E C Nuttall**  
**S Rollings**  
**M G Staff**

**Company Secretary**

**G Nuttall**

**PRINCIPAL ACTIVITY**

The principal activity of the Company is the provision of a community transport service for the benefit of the inhabitants of the Western Dales, inside and outside the Yorkshire Dales National Park.

**ENSURING OUR WORK DELIVERS OUR AIMS**

We review our aims, objectives and activities each year. The review set out below looks at the success of each key activity and the benefits they have brought to each group of people we are set up to help. The review also helps us ensure our aims, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and when planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

**Review of the Year**  
**1 July 2021 – 30 June 2022**

**Services**

This was our first full year of operations since the COVID-19 pandemic, and as the situation eased, we were able to relax the mitigation measures which we had adopted. Although the overall number of passenger journeys is higher than in 2018-19, in that year the **S3** service to Hawes hardly ran at all and the **S6** service to Penrith had not started. If the figures for those routes are removed, the other services have only recovered to 81% of their pre-Covid numbers. Although this is disappointing, it is broadly comparable with other bus services throughout the country and is a considerable improvement on the 55% level achieved by the limited services run in 2020-21.

<b>Year</b>	<b>Weeks operating</b>	<b>Total Passenger Journeys</b>	<b>Average Weekly Passenger Journeys</b>
2018-19	52	5962	115
2019-20	38	4629	122
2020-21	27	1520	56

As last year, **S1** remained our most popular service. However, the numbers on **S3** have remained low, and the service continued to be used mostly by visitors during the summer. The decline in passengers from Dent for the **S4** service noted last year continued, although the demand from Brough passengers and those from the south end of Kirkby Stephen remained steady. **S5** numbers dropped slightly, possibly because people were able to switch to **S6** instead. Since its introduction, **S6** steadily grew in popularity and by the end of the year was our second most popular service.

### **Vehicles**

Most of the modifications which we made to the buses for Covid, such as the Perspex screen between driver and passengers, were reversed, although we retained the card reader which proved popular with both passengers and drivers. We also retained our policy of not giving change, which removed the need for drivers to deal with cashing up at the end of their shift. Although we remained concerned about the reliability and the cost of repairing both vehicles as they age, we are not able to replace either of them without a substantial grant, and some grant funders are now reluctant to fund diesel vehicles. At present, our services require a greater range than zero emission electric vehicles can provide; at the end of the year, we had started to think about this problem, and will need to find a solution to it in the near future.

### **Private Hire**

In 2020-21 Covid prevented us from undertaking any private hire, but this year we took 13 bookings. This compared with 16 bookings in 2019-20, when Covid stopped us from offering private hire at all after February, and 22 bookings in 2018-19, the last full year of private hire before the pandemic. Of the 13 bookings this year, 10 were from charitable organisations, one of whom hired the bus on four occasions. We would like to thank Barbara Allwright for all her hard work in organising these trips and driving most of them, as well as the other drivers who have helped her.

### **Company Personnel**

The company had 28 volunteers at the start of 2021-22, which was very similar to the previous year; these included 16 volunteer drivers. There were few changes: Peter Thomlinson left us during the year and Paul Yates joined us.

Adding **S6** to our services and restarting private hire increased the number of drivers needed each week, and whilst this was manageable during the year, there will be a need to increase our efforts to recruit more volunteers again after the summer.

Steve Rollings also joined us during the year. He was co-opted on to the board as a director, and his experience both in finance and the bus industry has strengthened the board and supported the management team.

The directors would like to thank all volunteers who once again have given their time so generously for all their efforts during the year, as well as Rebecca Atkinson for her work as Operations Manager. Without them all, we would not be able to fulfil our aim of helping people in this area to become less socially isolated.

### **Finances**

The Statement of Financial Activities reveals a surplus of £8,570 and the Balance Sheet Net Current Assets of £78,446.

Overall, our finances in 2021-22 were affected by three things: the slow recovery from the effects of the Covid pandemic, rising fuel costs, and steadily increasing repair costs, both as a result of the rising cost of living and the increasing age of our vehicles. However, the main cause of the deficit shown in the accounts was the additional cost of employing a part time Operations Manager, although this was partly financed by a National Lottery grant.

The increases in our expenditure were offset by a fare increase of about 10%, a second National Lottery grant to cover lost revenue during the pandemic, as well as the government's Bus Service Support Grant (CBSSG). At the year end, CBSSG had not been through its final audit and reconciliation, and so it remained uncertain whether some of the support funding would be clawed back. We therefore deferred £41, 018 of this income and will recognise it once it becomes highly probable.

Looking to the future, there are no obvious ways of covering the whole cost of running our services each year through fare income alone. With repair costs likely to increase further as our vehicles age, and our ongoing fixed employment costs, we will continue to need regular supplementary income from grant funding in order to cover them. We will also need substantial grant funding in future to replace either vehicle. In spite of this, we ended the year with sufficient cash reserves to enable us to continue to operate in the medium term.

### **Conclusion**

When we started the company ten years ago, we did so to provide bus services to isolated rural communities. This need is just as great in our tenth year as it was then.

The main challenge of 2021-22 was to continue our slow recovery from the pandemic, and we succeeded in this because of the commitment of everyone in the organisation. The directors would like to thank everyone for the efforts they have made this year, whether by driving, raising funds, managing people, money or the website, or planning the company's future. Thanks to everyone's efforts, the directors are confident that the company is secure in the medium term and that we can continue to provide bus services to the isolated rural communities that need them.

## **STRUCTURE GOVERNANCE AND MANAGEMENT**

### **Governing Document**

The Western Dales Bus operates as a charitable company limited by guarantee, incorporated on 27<sup>th</sup> June 2012 and registered as a charity on 5<sup>th</sup> December 2012. The company was established under a Memorandum of Association and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

### **Recruitment and Appointment of Management Personnel**

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Articles of Association directors are required to serve for one year after which they must be re-elected at the next Annual General meeting. The Board of Trustees convenes at regular intervals to make strategic decisions to ensure that the work of the charity runs smoothly. We have one professional trustee, namely Mr P M Ayers, a transport consultant, who does not charge for his services. All management personnel, with the exception of Rebecca Atkinson, a salaried Operations Manager, give their time voluntarily and receive no benefits from the charity.

### **Responsibilities of the Director Trustees**

Company law requires Directors to prepare financial statements for each financial period that give a true and fair view of the financial affairs of the Company and of the surplus or deficit of the Company for that period. In preparing these statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis (unless it is inappropriate to assume that the Company will continue)

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

## **ACCOUNTING POLICIES**

### **Accounting Convention**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standards for Smaller Entities.

**On behalf of the Trustees**

**J R Cairns, Chairman**

**November 2022**

<b>THE WESTERN DALES COMMUNITY BUS SERVICE LTD</b>						
<b>Statement of Financial Activities (including Income &amp; Expenditure Account) for the</b>						
<b>year ended 30 June 2022</b>						
				<b>Unrestricted Fund</b>	<b>Restricted Funds</b>	<b>Total</b>
				<b>Operations</b>	<b>Operations</b>	<b>Funds</b>
				<b>2022</b>	<b>2022</b>	<b>2022</b>
				<b>2021*</b>		
			<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Incoming Resources</b>						
Voluntary income:						
Interest received on bank deposit				63	-	63
Donations and grants						
Individuals and other bodies towards running expenses	6			4,688		4,688
Big Lottery Fund grant towards running expenses				-	-	7,740
Big Lottery Fund grant towards lost earnings				-	-	24,000
Activities for generating funds:				-		
Fares and subsidies from bus operations				28,289	-	28,289
<b>Total Incoming Resources</b>				<b>33,040</b>	<b>-</b>	<b>33,040</b>
<b>Resources expended on:</b>						
Charitable activities - provision of local bus services	7			29,028	10,488	39,516
Depreciation of bus and fittings				2,750	-	2,750
				<b>31,778</b>	<b>10,488</b>	<b>42,266</b>
<b>Net movement in Funds for the year</b>				<b>1,262</b>	<b>(10,488)</b>	<b>(9,226)</b>
<b>Net surplus (deficit) for the year</b>				<b>1,262</b>	<b>(10,488)</b>	<b>(9,226)</b>
<b>Reconciliation of Funds:</b>						
Total Funds brought forward				76,206	10,488	86,694
<b>Total Funds carried forward</b>				<b>77,468</b>	<b>-</b>	<b>77,468</b>
* Note: The detailed comparative figures in respect of each fund are shown in Note 10						

<b>THE WESTERN DALES COMMUNITY BUS SERVICE LTD</b>						
<b>Balance Sheet as at 30 June 2022</b>				<b>2022</b>	<b>2022</b>	<b>2021</b>
				<b>£</b>	<b>£</b>	<b>£</b>
				<b>Notes</b>		
<b>Fixed Assets:</b>			8			
Tangible fixed assets - Mercedes buses:						
			Original cost		175,103	175,103
			Accumulated depreciation		143,887	128,304
			Net book value		31,216	46,799
<b>Current Assets:</b>						
Trade debtors and prepayments					3,008	2,390
Cash at bank and in hand					111,562	90,190
					114,570	92,580
<b>Creditors and Provisions:</b>						
Amounts falling due within one year					(1,582)	(2,590)
Provision for possible clawback of Pandemic grants			1b		(41,018)	(11,544)
<b>Net Current Assets:</b>						71,970
						78,446
<b>Total Assets:</b>						103,186
						125,245
<b>Unrestricted Funds:</b>						
Operations						77,468
						76,206
<b>Restricted Funds:</b>						
Operations					-	10,488
Capital grants fund for purchase of buses			9		25,718	38,551
						25,718
						49,039
<b>Total Funds:</b>						103,186
						125,245
The directors have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.						
The notes which follow form part of these accounts						
Signed:						
Name JOHN RODGER CAIRNS, Chair of directors on behalf of the directors						
DATE						

## **NOTES TO THE ACCOUNTS**

### **1. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation or uncertainty in the preparation of the financial statements are as follows:

#### **a. Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Companies Act 2006

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

#### **b. Preparation of the accounts on a going concern basis**

The COVID-19 pandemic and vastly increasing costs for many essential items such as fuel and repairs have raised continuing challenges in terms of both income and expenditure.

Taking the current high cash reserves and the current and projected reduced levels of income and likely expenditure from bus operations into account, the trustees have concluded that the charity will continue as going concern in the immediate future.

In addition to last year's Lottery support, the COVID-19 Bus Services Support Grant scheme was a source of funds to support our continuing operations. Whilst we have prudently provided for possible clawback of these funds by the Department for Transport, current indications are that we will be able to release a large part of the provision in the next accounting year.

In these uncertain times, the trustees will continue to closely monitor the company's finances to ensure its continuing viability.

#### **c. Fund accounting**

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

#### **d. Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to, and virtually certain to receive, the income and the amount can be quantified with reasonable accuracy.

The following policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- The value of services provided by volunteers has not been included in these accounts.



- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

**e. Resources expended**

- Expenditure is recognised on an accrual basis as a liability is incurred.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries, in this case, the costs of operating the bus services.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

**f. Fixed assets**

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 6 years. Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors.

**g. Debtors**

Debtors include repayments of VAT due from H M Revenue and Customs and unpaid invoices due from private hire customers.

**h. Cash at bank and in hand**

This comprises unbanked cash fares and balances held with Barclays Bank and Virgin Money.

**i. Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

As a matter of prudence, provision has been made in these accounts for the possible clawback of grant funding under the COVID-19 Bus Service Support Grant scheme.

**2. Legal Status of the Trust**

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

### 3. Staff

The company is run mostly through the efforts of volunteers.

There is one part time paid operations manager to supplement and coordinate the contribution of volunteers.

### 4. Related parties

There were no related party transactions between the charity or its directors and any related party.

### 5. Corporation tax

The charity is exempt from corporation tax on income and capital gains to the extent that they are applied towards its charitable objectives.

### 6. Donations from individuals and other bodies toward running expenses

	2022	2021
	£	£
Arnold Clark	1,000	-
Kirkby Stephen Town Council	-	300
Dent Parish Council	1,641	-
Sedbergh Parish Council	1,000	-
South Lakeland District Council	-	1,520
Other donations, mainly passengers	1,047	282
Totals	4,688	2,102

### 7. Expenditure on provision of local bus services

	2022	2021
	£	£
Bus Insurance	3,968	3,311
Fuel	11,039	3,979
Repairs & Maintenance	8,610	11,704
Driver Training	1,405	585
Other Operational Costs	761	2,464
Operations Manager	12,438	7,034
Marketing	328	50
Subscriptions	50	50
Insurance	692	612
Sundry administration	225	82
	39,516	29,871

## 8. Tangible Fixed Assets

	Total	Mercedes Sprinter RX19XTV	Mercedes Sprinter RX65YRD
<b>Cost:</b>			
		£	£
At 1 July 2021	175,103	93,498	81,605
At 30 June 2022	<b>175,103</b>	<b>93,498</b>	<b>81,605</b>
<b>Accumulated depreciation:</b>			
At 1 July 2021	128,304	46,749	81,555
Charge for the year	15,583	15,583	-
At 30 June 2022	<b>143,887</b>	<b>62,332</b>	<b>81,555</b>
<b>Net book value:</b>			
At 1 July 2021	46,799	46,749	13,605
At 30 June 2022	<b>31,216</b>	<b>31,166</b>	<b>50</b>

Depreciation £12,833 in respect of RX19XTV, which was partly financed through grants is charged against the Capital Grants Fund, which is a restricted fund.

Depreciation of £2,750 in respect of RX19XTV is charged in the Statement of Financial Activities in arriving at the net surplus for the year.

## 9. Capital grants fund for purchase of buses

	Total 2022	Big Lottery Fund	Yorkshire Dales Millennium Trust	Friends of Settle Carlisle Line	Garfield Weston Foundation	Total 2021
At 1 July 2021	38551	10,914	2,445	246	38,501	64,939
Depreciation charged	(12,833)	-	-	-	(12,833)	(26,388)
At 30 June 2022	<b>25,718</b>	<b>40</b>	<b>9</b>	<b>1</b>	<b>25,668</b>	<b>38,551</b>

THE WESTERN DALES COMMUNITY BUS SERVICE LTD							
Statement of Financial Activities (including Income & Expenditure Account) for the							
year ended 30 June 2021							
					Unrestricted Fund	Restricted Funds	Total
					Operations	Operations	Funds
					2021	2021	2021
					£	£	£
Incoming resources							
Voluntary income:							
Interest received on bank deposit					95	-	95
Donations and grants							
Individuals and local bodies towards running expenses					2,102		2,102
Big Lottery Fund grant towards running expenses						7,740	7,740
Big Lottery Fund grant towards lost earnings						24,000	24,000
Activities for generating funds:							
Fares and subsidies from bus operations					7,255		7,255
<b>Total Incoming Resources</b>					<b>9,452</b>	<b>31,740</b>	<b>41,192</b>
Resources expended on:							
Charitable activities - provision of local bus services						29,872	29,872
Depreciation of bus and fittings						2,750	2,750
					-	<b>32,622</b>	<b>32,622</b>
<b>Net movement in Funds for the year</b>					<b>9,452</b>	<b>(882)</b>	<b>8,570</b>
<b>Net surplus for the year</b>					<b>9,452</b>	<b>(882)</b>	<b>8,570</b>
<b>Reconciliation of Funds:</b>							
Total Funds brought forward					66,754	11,370	78,124
<b>Total Funds carried forward</b>					<b>76,206</b>	<b>10,488</b>	<b>86,694</b>

# Independent examiner's report on the accounts

Report to the trustees/ members of **Western Dales Community Bus Service Ltd**

On accounts for the year ended **30 June 2022**

Charity no **1150051**

Set out on pages

*6-12 following the Directors' Report.*

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is my responsibility to:

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

**Basis of independent examiner's statement**

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

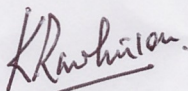
**Independent examiner's statement**

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act
- have not been met;

or to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date: *14 Nov 2022*

Name: Kenneth Rawlinson

**Relevant professional qualification(s) or body (if any):**

Fellow of the Institute of Chartered Accountants in England and Wales

Address: 10 The Dunterns

Alnwick, Northumberland, NE66 1AL