



COMMUNITY TRANSPORT

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Celebrating
59
years

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

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COMMUNITY TRANSPORT
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023

Trustees

Ian Kerr
Adam Layland, Chair
Corinne Taylor
Barry Yeomans (resigned 23 May 2023)
Joseph Hall (appointed 24 May 2022)
Tony Chan (appointed 30 November 2022)

Company registered number

2118677

Charity registered number

247331

Registered office

Croft Myl
West Parade
Halifax
West Yorkshire
HX1 2EQ

Chief Executive Officer

Jo Beaumont

Independent auditors

BHP LLP
New Chartford House
Centurion Way
Cleckheaton
West Yorkshire
BD19 3QB

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Bankers

Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

Santander
Bridle Road
Bootle
Merseyside
L30 4GB

Legal advisors

Lupton Fawcett
Yorkshire House
East Parade
Leeds
West Yorkshire
LS1 5BD

COMMUNITY TRANSPORT
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the consolidated audited financial statements of the group for the year 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Community Transport is a Company Limited by Guarantee, registered in England and Wales, number 2118677, and a Registered Charity, number 247331. The Directors opted, at the time of incorporation to register the name "Community Transport" and not "Community Transport Limited".

Community Transport has a 100% shareholding in a trading company, Community Minibuses Limited (CML), number 4125371.

The Charity also uses several trading and brand names:

"CT Passenger" refers to the provision of passenger transport services.

"CT Office" refers to the provision of office furniture.

"CT Furniture" refers to the provision of domestic furniture.

"CT Training" refers to the provision of training.

● **Objectives and activities**

The Trustees have referred to the Charity Commission guidance on public benefit and the objects of the Company are charitable in the fields of social welfare, as defined in paragraph 3, (a) of the Memorandum and Articles of Association. The public benefit requirement is met through three areas of activity - Passenger, Furniture and Training.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023







(continued)

● **Strategic plan**

Trustees and the Executive Leadership Team continued to develop the long term strategy of the charity, with a focus on sustaining the organisation throughout the challenges of the Covid-19 pandemic and beyond.

CELEBRATING

59
YEARS

| | | |
|--------------|---|--|
| OUR MISSION: |  | Create a better everyday life for local people. |
| OUR VISION: |  | To be the go-to organisation for accessible transport and affordable furniture locally, in the areas where we work |
| OUR VALUES: |  EXCELLENCE |  DIVERSITY |
| |  HELPFULNESS |  HONESTY |

Community Transport has been working in local communities since 1964, helping to transform lives and build better communities through the provision of accessible transport and the provision of affordable furniture.

● **Values**

Our values and behaviours are intended to achieve the vision in striving for:

- **Excellence** in everything that Community Transport does, with continued improvements through listening, learning and innovation.
- **Honesty** - operating honestly with fairness and integrity.
- **Diversity** - respecting and ensuring equality of opportunity; in both its working environments and within the communities it operates in.
- **Helpfulness** - encouraging helpfulness in all areas, with the aim of benefitting others and communities.

● **Fundraising activities and income generation**

The charity does not actively fundraise but appreciates cash donations from the sale of furniture. The charity utilised the expertise of Capidale Professional Fundraising from autumn 2022 and continues to use it in its large grant applications.

Due to not actively fundraising from members of the public, the charity is not a participant of a voluntary scheme for regulating fundraising, or any voluntary standard of fundraising for the activities carried out on behalf of the charity. Should the charity at some point in the future, undertake a specific fundraising campaign or start to generate more income through fundraising, the trustees will consider signing up to the voluntary fundraising code.

Income generation is carried out through the sale of items of furniture under the brand name CT Furniture and through commercial transport and training contracts in order to fund its charitable activities.

COMMUNITY TRANSPORT
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

(continued)

Furniture Services

Under the brand of CT Furniture, the charity provides items of donated and bought in domestic furniture and donated office furniture through retail shops in the West Midlands and North-East, in order to generate income which is then used to support charitable activities. Items are also sold online to achieve the best price as part of the income generation strategy.

Regional hubs in Wolverhampton and Newcastle, provide more affordable furniture for families on low incomes, and also support distribution of stock to retail shops.

Examples of furniture services delivered to generate income include:

Community Transport CT Furniture attracts donations of office furniture from corporate partners, as well as domestic furniture from individual donors, which it sells both online and in store in order to generate funds.

Example of charitable furniture services include:

The charity provides individual furniture items free of charge to individuals in crisis when referred to the charity.

CT help individuals or families in need by providing them with furniture at little or no cost when referred to the charity.

Passenger Services

Provision of accessible transport services to people who experience disability or limited mobility, or who are unable to use conventional and/or public transport. This includes door to door transport for people in later life, transport to health services for those experiencing medical conditions, and provision of transport for community and voluntary groups, enabling them to support their service users.

The provision of specialist door to door, rather than kerb to kerb transport enables people to have choice, independence, and to be able to participate in society. Supporting local community groups enables more people to be supported, by providing the means for each group to better support its own service users at an affordable cost.

Examples of commercial passenger services delivery include:

Renal transport for dialysis patients across the West Midlands

A number of school transport contracts delivered across the West Midlands and North-East regions.

Examples of charitable passenger services delivery include:

The Hop to the Shops service in the North-East of England provides transport for people who are unable to use public transport services, enabling them to socialise with others, and to access local shops.

Group travel, provided to Mencap in the Black Country, enabling Mencap service users to access other facilities and experiences.

(continued)

Training Services

Provision of minibus driving related training externally to community and voluntary groups, enhancing the skills of volunteers, and making use of accessible transport more affordable.

External training demand has remained consistent with the previous year.

Internal training continued to be delivered throughout 2022/2023 ensuring that Community Transport staff and volunteers were trained and equipped with the skills to continue service delivery.

Support

A small central support team provides finance, human resource and governance support for operational teams.

• Main achievements of the Charity

Community Transport achieved social impact in the following ways:

Our Impact 2022-2023

97,660



Passenger trips - the number of passengers transported in our minibuses.

608



Tonnes collected - the amount of furniture and other goods collected from households and businesses.

598,411



Miles travelled - our minibuses travelled enough miles to circle the world 20 times.

35,780



Items sold - the amount of affordable furniture sold to individuals and families.

22,669



Hours - given by our volunteers and work placements.

4,710



Tonnes - the potential carbon saving from diverting this amount of goods from landfill or reprocessing.



99.7% Customer satisfaction

Our customer satisfaction across all our services.
















**Helping create a better everyday life
for local people since 1964.**

COMMUNITY TRANSPORT
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

(continued)

Operational Sites and Services

| |  |  |  |
|-------------------------|---|---|---|
| Blyth Shop | |  | |
| Newcastle Warehouse |  |  |  |
| Gateshead Shop | |  | |
| Wolverhampton Depot |  | | |
| West Bromwich Shop | |  | |
| Birmingham Depot |  |  |  |
| Coventry/Nuneaton Depot |  | |  |

● **Review of activities**

2022/2023 presented challenges as it sought to recover from the impact of closures and reduced services during the pandemic as well as the impact of the economic climate on both donations and sales in the CT Furniture division. The charity was forced to increase its prices in all three divisions as a result of rising costs, and continues to review these on a regular basis.

Resources

Employment terms and conditions are set and reviewed by the Board of Trustees and are implemented through the Chief Executive and Executive Leadership Team. The charity is an equal opportunities employer and aims to maintain a diverse and varied workforce with fair and transparent recruitment of the best people at the heart of its policies and practices.

COMMUNITY TRANSPORT
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

(continued)

● **People**

| Year to: | Employees | Volunteers |
|-----------------|------------------|-------------------|
| 31 March 2023 | 107 | 30 |
| 31 March 2022 | 109 | 59 |

Equality Statement

Community Transport voluntarily provides information on pay in relation to gender, and constantly monitors against all other protected characteristics.

Gender Pay Reporting

The charity's median pay is the same irrespective of gender.

Executive Leadership Team Pay Table

| FTE Salary Banding | Role Title | Gender | FTE |
|---------------------------|---------------------------|---------------|------------|
| £80,000 to £89,999 | Chief Executive | F | 1.0 |
| £70,000 to £79,999 | Finance Director | M | 1.0 |
| £60,000 to £69,999 | Operations Director North | M | 1.0 |
| | Operations Director South | F | 1.0 |

COMMUNITY TRANSPORT
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Financial review

● **Going concern**

The group meets its day to day working capital requirements through its bank current accounts which had funds at 31 March 2023 of £630,608. The group's services achieved a negative movement in unrestricted funds of £515,390. The current economic conditions have created an element of uncertainty over demand for the group's services. However the group's forecasts and projections, taking account of reasonable possible changes in performance, shows that the group is expected to have a sufficient level of financial resources available for at least the next 12 months and therefore the Trustees believe that the group is well placed to manage its business risks successfully despite the economic uncertainty. After making enquiries, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

● **Reserves policy**

Total reserves held at 31 March 2023 decreased by £524,024 to £1,130,218 with restricted funds reducing from £154,512 in 2021/22 to £145,878 in 2022/23.

The Board of Community Transport aims to develop a prudent use of reserves, some of which are designated for specific purposes. The table below summarises the status of unrestricted reserves:

| | 2023 | 2022 |
|---------------------------------|-------------|-------------|
| | £'000 | £'000 |
| Total unrestricted reserves | 984 | 1,500 |
| Less: designated funds | (464) | (567) |
| Less: unrestricted fixed assets | (340) | (337) |
| Free reserves | 180 | 596 |

The charitable company seeks to keep a surplus in interest-earning accounts for working capital purposes and then transfers cash as required to the current accounts to meet its obligations.

Free reserves

Free reserves provide liquidity that reduces to a minimum the need for short or long term borrowing and the levels of interest or debt associated, thus serving as a protection in the face of unexpected trading variations or cost increases. A target of £750,000 in free reserves has been set to allow for 2 to 3 months operating expenditure.

Results in recent years have had a negative impact on the charitable company's free reserves. The charitable company's intention is to generate annual surpluses in the medium term to maintain this target. Post year end the charitable company sold a property (see note 25). The sale of the property increased the charitable company's free reserves post year end by £762k.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Designated funds

Community Transport maintains a capital fund available to underpin capital investment, either in the form of capital purchases, bank loans or operating leases, in particular this fund is designated to reduce maintenance expenditure on older vehicles and to move, as opportunities arise, to more appropriate operating sites. The level of this fund is set at £464K at 31 March 2023. It is expected that this will be expended as follows:

Passenger vehicles £464K

Goods vehicles: £nil

Dilapidations and Acquisition of alternative and new sites: £nil

● **Principal risks and uncertainties**

The Board of Trustees places importance on managing risk, and receives and approves all strategic governance policies, governance schedules and the risk register bi-annually. Trustees are able to attend monthly risk meetings with the Executive Leadership Team.

The following include major risk areas to which the Charity is exposed and the date of which they have been revised and approved:

- Governance – Governance risks are reviewed regularly and a member of the Board of Trustees acts as Governance Lead in providing advice and guidance.
- Corporate Finance Risks – Contract income is regularly reviewed to ensure a view of existing and potential income is maintained; contract income can cease before the end of scheduled contract re-tendering and remains a risk, particularly prior to the beginning of the academic year.
- Health and Safety – the policy and procedures are reviewed annually or as required in response to legislative changes, by a NEBOSH qualified Health and Safety Manager.
- Fleet Management – two qualified Transport Managers are in place, with a third person currently undergoing training to ensure that all operational transport services operate under the appropriate legislation and are fully compliant. Maintenance providers are reviewed and monitored for compliance and value for money on a regular basis.
- Human Resource Practice – as employment legislation can change frequently, CT has mechanisms with its HR Team to ensure that policies and procedures meet legislative requirements. External advice is available through an established relationship with HR legal advisers where required. All HR policies are reviewed regularly in line with Community Transport's document retention framework.

Structure, governance and management

● **Constitution**

The charity reviewed its Articles of Association in 2020. Overall responsibility for the company's activities is vested in the Board of Trustees, whose members also serve as the Charity's Trustees. The Board is limited to a minimum of three and maximum of 11 members, who may serve for up to three consecutive terms of three years each, followed by a break of at least one year before seeking re-election.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

● **Methods of appointment or election of Trustees**

The Board is responsible for identifying and recruiting new Trustees as part of succession planning, to support the interests of beneficiaries by virtue of skills, approach, experience and commitment to the objectives of the charity, in line with the Recruitment of Trustees and Directors Policy, approved in 2021. An annual board skills audit informs the recruitment and succession planning process. The Board of Trustees is committed to constantly monitoring the number of Trustees, and reviews this formally at its last meeting of the calendar year. Induction training for new Trustees is provided by the Chair, Chief Executive and other staff members. Trustees are encouraged to champion different aspects of the charity's strategic interests and to participate in sector specific training, development and events, including governance training.

● **Organisational structure and decision-making policies**

Oversight of the management of finance, capital assets and non-charitable trading vested in CML remains with the full Board of Trustees.

Overall responsibility for leadership of the Company is vested in a Chief Executive, who is responsible for business development and implementation of the strategy. The Chief Executive leads an Executive Leadership Team which includes two Directors of Operations and a Finance Director.

A Finance Committee considers financial management in its wider sense and in detail, taking decisions and making recommendations to the Board of Trustees in line with its terms of reference.

Plans for future periods

In the coming year, Community Transport plans to adapt and expand its services within the regions in which it already has a presence, incorporating marketing, volunteering and training strategies to support that. A key focus in the coming year will be on ensuring that the right resources are in place to expand existing services and develop new opportunities, and directly addressing recruitment pressures which have faced the transport and charity sectors for some years, exacerbated by the pandemic and changing recruitment environment.

For each division the main challenges and opportunities for the coming year are:

CT Passenger

Challenges:

Meeting the pressure of increasing operational costs and negotiating more frequent price rises will remain a challenge for CT Passenger in 2023/2024. Recruitment of drivers will be a continuing challenge for the Passenger division in the coming year, as wages increase and contract expectations impact on recruitment timescales.

Opportunities:

CT Passenger will continue to explore the potential for scheduled bus routes, and programmes of day trips during summer months as well as continuing to tender for opportunities in the areas in which it operates.

COMMUNITY TRANSPORT
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods (continued)

CT Furniture

Challenges:

CT Furniture Services relocated to more prominent and visible shop sites prior to the pandemic. The challenge in 2023/2024 is to attract more customers to those sites which CT continues to occupy, whilst growing online sales further and maintaining those customers whose shopping habits have changed in recent years.

Opportunities:

The CT Office brand continues to contribute to overall CT Furniture sales, with large scale office furniture collections attracting removal fees. The potential to widen the source of bought in goods will present opportunities in the coming year.

CT Training

Challenges:

Meeting rising demand for externally delivered driving related training programmes will present a challenge in 2023/2024.

Opportunities:

This year will see the appointment of an additional trainer, based in Newcastle in order to meet both external and internal demand.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

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

COMMUNITY TRANSPORT
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, BHP LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Adam Layland
(Chair of Trustees)

Date: Oct 3, 2023

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF COMMUNITY TRANSPORT

We have audited the financial statements of Community Transport (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and notes to the financial statements, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we 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 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 and parent charitable company'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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF COMMUNITY TRANSPORT

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements themselves. 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

COMMUNITY TRANSPORT
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF COMMUNITY TRANSPORT
(CONTINUED)

Responsibilities of trustees

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

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

Auditor responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the group and the sector in which it operates and considered the risk of acts by the group that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations, relevant to the group, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of minutes and legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

COMMUNITY TRANSPORT
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF COMMUNITY TRANSPORT
(CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Lesley Kendrew (Senior statutory auditor)

for and on behalf of

BHP LLP
New Chartford House
Centurion Way
Cleckheaton
West Yorkshire
BD19 3QB

Date: Oct 3, 2023

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

| | Note | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------------------------|-------------|--|--|---------------------------------------|---------------------------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 30,993 | 123,390 | 154,383 | 217,862 |
| Charitable activities | 4 | 3,012,033 | - | 3,012,033 | 3,195,139 |
| Other income | 5 | 23,607 | - | 23,607 | 11,608 |
| Total income | | 3,066,633 | 123,390 | 3,190,023 | 3,424,609 |
| Expenditure on: | | | | | |
| Charitable activities | 6 | 3,582,023 | 132,024 | 3,714,047 | 3,946,952 |
| Total expenditure | | 3,582,023 | 132,024 | 3,714,047 | 3,946,952 |
| Net movement in funds | | (515,390) | (8,634) | (524,024) | (522,343) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 1,499,730 | 154,512 | 1,654,242 | 2,176,585 |
| Net movement in funds | | (515,390) | (8,634) | (524,024) | (522,343) |
| Total funds carried forward | | 984,340 | 145,878 | 1,130,218 | 1,654,242 |

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 43 form part of these financial statements.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2118677

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

| | Note | 2023 £ | 2022 £ |
|---|-------------|-------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | 10 | 486,014 | 491,397 |
| Current assets | | | |
| Stocks | 12 | 12,204 | 16,078 |
| Debtors | 13 | 559,241 | 622,704 |
| Cash at bank and in hand | | 630,608 | 1,001,822 |
| | | 1,202,053 | 1,640,604 |
| Creditors: amounts falling due within one year | 14 | (522,020) | (477,759) |
| Net current assets | | 680,033 | 1,162,845 |
| Creditors: amounts falling due after more than one year | 15 | (35,829) | - |
| Total net assets | | 1,130,218 | 1,654,242 |
| Charity funds | | | |
| Restricted funds | 16,17 | 145,878 | 154,512 |
| Unrestricted funds | 16,17 | 984,340 | 1,499,730 |
| Total funds | | 1,130,218 | 1,654,242 |

COMMUNITY TRANSPORT

(A Company Limited by Guarantee)

REGISTERED NUMBER: 2118677

CONSOLIDATED BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Adam Layland

(Chair of Trustees)

Date: Oct 3, 2023

The notes on pages 24 to 43 form part of these financial statements.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2118677

CHARITY BALANCE SHEET
AS AT 31 MARCH 2023

| | Note | 2023 £ | 2022 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 10 | 486,014 | 491,397 |
| Investments | 11 | 1 | 1 |
| | | 486,015 | 491,398 |
| Current assets | | | |
| Stocks | 12 | 12,204 | 16,078 |
| Debtors | 13 | 676,729 | 738,065 |
| Cash at bank and in hand | | 504,488 | 875,630 |
| | | 1,193,421 | 1,629,773 |
| Creditors: amounts falling due within one year | 14 | (522,020) | (477,759) |
| Net current assets | | 671,401 | 1,152,014 |
| Creditors: amounts falling due after more than one year | 15 | (35,829) | - |
| Total net assets | | 1,121,587 | 1,643,412 |
| Charity funds | | | |
| Restricted funds | 16 | 145,878 | 154,512 |
| Unrestricted funds | 16 | 975,709 | 1,488,900 |
| Total funds | | 1,121,587 | 1,643,412 |

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The Charity's net movement in funds for the year was £(521,825) (2022 - £(520,168)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Adam Layland
(Chair of Trustees)

Date: Oct 3, 2023

The notes on pages 24 to 43 form part of these financial statements.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

| | 2023 | 2022 |
|--|------------------|------------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net cash used in operating activities | (375,568) | (515,500) |
| Cash flows from investing activities | | |
| Proceeds from the sale of tangible fixed assets | 34,500 | 13,139 |
| Purchase of tangible fixed assets | (30,146) | (244,566) |
| Net cash provided by/(used in) investing activities | 4,354 | (231,427) |
| Change in cash and cash equivalents in the year | (371,214) | (746,927) |
| Cash and cash equivalents at the beginning of the year | 1,001,822 | 1,748,749 |
| Cash and cash equivalents at the end of the year | 630,608 | 1,001,822 |

The notes on pages 24 to 43 form part of these financial statements

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

The charitable company is a company limited by guarantee. The registered office is Croft Myl, West Parade, Halifax, West Yorkshire, HX1 2EQ. The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Community Transport meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Going concern

The group meets its day to day working capital requirements through its bank current accounts which had funds at 31 March 2023 of £630,608. The group's services resulted in an in-year negative movement in unrestricted funds of £515,390. The current economic conditions have created an element of uncertainty over demand for the group's services. However, the group's forecasts and projections, taking account of reasonable possible changes in performance, shows that the group is expected to have a sufficient level of financial resources available for at least the next 12 months and therefore the Trustees believe that the group is well placed to manage its business risks successfully despite the economic uncertainty. After making enquiries, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

The Trustees therefore consider that the level of reserves for the charity are adequate. The Trustees continue to adopt the going concern basis of preparation for these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

Grants received in relation to the government Coronavirus Job Retention Scheme (Furlough) have been recognised within other operating income. The grant is accounted for on the accruals basis once the related payroll return has been submitted.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method (unless otherwise stated).

Depreciation is provided on the following bases:

| | |
|-------------------------------|---------------------------------|
| Freehold property | - 2% straight line basis |
| Short-term leasehold property | - Over the period of the lease |
| Motor vehicles | - 20% straight line basis |
| Fixtures and fittings | - 10% - 25% straight line basis |

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2. Accounting policies (continued)

2.9 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.

2.10 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.

2.11 Liabilities and provisions

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

Liabilities 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.

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 pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.12 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 Pensions

The charitable company operates a funded pension scheme (see note 22). Employer contributions are charged to the Statement of Financial Activities as incurred.

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Income from donations and legacies

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|-----------|--|--|---------------------------------------|
| Donations | 30,993 | - | 30,993 |
| Grants | - | 123,390 | 123,390 |
| | <hr/> | <hr/> | <hr/> |
| | 30,993 | 123,390 | 154,383 |
| | <hr/> | <hr/> | <hr/> |
| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
| Donations | 34,937 | - | 34,937 |
| Grants | 51,079 | 131,846 | 182,925 |
| | <hr/> | <hr/> | <hr/> |
| | 86,016 | 131,846 | 217,862 |
| | <hr/> | <hr/> | <hr/> |

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

4. Income from charitable activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|----------------------------------|--|---------------------------------------|
| Service income | 3,012,033 | 3,012,033 |
| Coronavirus job retention scheme | - | - |
| | <u>3,012,033</u> | <u>3,012,033</u> |

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|----------------------------------|--|--|---------------------------------------|
| Service income | 3,185,468 | - | 3,185,468 |
| Coronavirus job retention scheme | - | 9,671 | 9,671 |
| | <u>3,185,468</u> | <u>9,671</u> | <u>3,195,139</u> |

5. Other incoming resources

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|---|--|---------------------------------------|
| Profit on sale of tangible fixed assets | 23,607 | 23,607 |

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|---|--|---------------------------------------|
| Profit on sale of tangible fixed assets | 11,608 | 11,608 |

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ |
|--------------------|--|--|-----------------------------|
| Passenger services | 1,574,249 | 132,024 | 1,706,273 |
| Furniture services | 1,519,052 | - | 1,519,052 |
| Other services | 488,722 | - | 488,722 |
| | 3,582,023 | 132,024 | 3,714,047 |
| | | | |
| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
| Passenger services | 1,661,104 | 150,151 | 1,811,255 |
| Furniture services | 1,565,692 | - | 1,565,692 |
| Other services | 570,005 | - | 570,005 |
| | 3,796,801 | 150,151 | 3,946,952 |

7. Auditors' remuneration

| | 2023 £ | 2022 £ |
|--|-------------------|-------------------|
| Fees payable to the Group's auditor for the audit of the Group's annual accounts | 11,850 | 10,145 |
| Fees payable to the Group's auditor in respect of: | | |
| All taxation advisory services not included above | 975 | 110 |
| All non-audit services not included above | 1,625 | 1,480 |

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. Staff costs

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Wages and salaries | 1,722,174 | 1,853,887 | 1,722,174 | 1,853,887 |
| Social security costs | 129,929 | 134,280 | 129,929 | 134,280 |
| Contribution to defined contribution pension schemes | 57,648 | 58,661 | 57,648 | 58,661 |
| | 1,909,751 | 2,046,828 | 1,909,751 | 2,046,828 |

The average number of persons employed by the Charity during the year was as follows:

| | Group 2023 No. | Group 2022 No. | Charity 2023 No. | Charity 2022 No. |
|----------------------------|-------------------------------|-------------------------------|---------------------------------|---------------------------------|
| Passenger | 65 | 62 | 65 | 62 |
| Furniture | 24 | 28 | 24 | 28 |
| Training | 1 | 2 | 1 | 2 |
| Administration and support | 17 | 17 | 17 | 17 |
| | 107 | 109 | 107 | 109 |

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | Group 2023 No. | Group 2022 No. |
|--------------------------------|-------------------------------|-------------------------------|
| In the band £60,001 - £70,000 | 3 | 2 |
| In the band £90,001 - £100,000 | 1 | 1 |

A significant contribution to the work of the charitable company is carried out by a pool of volunteer drivers, sales assistants, and administrators. Much of the work of the charitable company would be impossible without the generous gift of time, effort and commitment which voluntary workers provide.

In March 2023, the charitable company had around 30 volunteers, excluding those who give their time on boards and committees.

Key Management Personnel Remuneration

The key management personnel of the parent charity during the year to 31 March 2023 comprised the Chief Executive Officer and Operations Director North, Operations Director South.

Total compensation of key management personnel in the year amounted to £271,744 (2022 - £295,545).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, trustee expenses of £661 were reimbursed or paid directly to 2 Trustees (2022 - £NIL).

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Tangible fixed assets

Group and Charity

| | Freehold property £ | Short-term leasehold property £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|---------------------------------|---------------------------|--|---------------------|-------------------------------|------------|
| <i>Cost or valuation</i> | | | | | |
| At 1 April 2022 | 553,794 | 34,064 | 744,741 | 129,221 | 1,461,820 |
| Additions | - | - | 78,481 | 3,706 | 82,187 |
| Disposals | - | - | (155,937) | - | (155,937) |
| At 31 March 2023 | 553,794 | 34,064 | 667,285 | 132,927 | 1,388,070 |
| <i>Depreciation</i> | | | | | |
| At 1 April 2022 | 261,984 | 18,802 | 560,416 | 129,221 | 970,423 |
| Charge for the year | 14,504 | 3,213 | 58,343 | 617 | 76,677 |
| On disposals | - | - | (145,044) | - | (145,044) |
| At 31 March 2023 | 276,488 | 22,015 | 473,715 | 129,838 | 902,056 |
| <i>Net book value</i> | | | | | |
| At 31 March 2023 | 277,306 | 12,049 | 193,570 | 3,089 | 486,014 |
| At 31 March 2022 | 291,810 | 15,262 | 184,325 | - | 491,397 |

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Fixed asset investments

| | Investments in subsidiary companies £ |
|--------------------------|--|
| Charity | |
| Cost or valuation | |
| At 1 April 2022 | 1 |
| At 31 March 2023 | 1 |
| Net book value | |
| At 31 March 2023 | 1 |
| At 31 March 2022 | 1 |

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

| Name | Company number | Registered office or principal place of business | Class of shares | Holding |
|-----------------------------|----------------|--|-----------------|---------|
| Community Minibuses Limited | 4125371 | Croft Myl, West Parade, Halifax, West Yorkshire, HX1 2EQ | Ordinary | 100% |

The financial results of the subsidiary for the year were:

| Name | Income £ | Expenditure £ | Profit/(Loss) for the period £ | Net assets £ |
|-----------------------------|-------------|------------------|--------------------------------------|-----------------|
| Community Minibuses Limited | 306,884 | (309,083) | (2,199) | 8,632 |

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

12. Stocks

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|--------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Stocks | 12,204 | 16,078 | 12,204 | 16,078 |

13. Debtors

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <i>Due within one year</i> | | | | |
| Trade debtors | 291,734 | 156,827 | 291,734 | 156,827 |
| Amounts owed by group undertakings | - | - | 117,488 | 115,361 |
| Other debtors | 75,445 | 98,466 | 75,445 | 98,466 |
| Prepayments and accrued income | 192,062 | 367,411 | 192,062 | 367,411 |
| | 559,241 | 622,704 | 676,729 | 738,065 |

14. Creditors: Amounts falling due within one year

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade creditors | 236,606 | 226,427 | 236,606 | 226,427 |
| Obligations under finance lease and hire purchase contracts | 16,212 | - | 16,212 | - |
| Other creditors | 41,572 | 19,693 | 41,572 | 19,693 |
| Accruals and deferred income | 227,630 | 231,639 | 227,630 | 231,639 |
| | 522,020 | 477,759 | 522,020 | 477,759 |

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. Creditors: Amounts falling due after more than one year

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Net obligations under finance lease and hire purchase contracts | 35,829 | - | 35,829 | - |

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Statement of funds

Group statement of funds - current year

| | Balance at 1 April 2022 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2023 £ |
|--|---------------------------------|------------------|--------------------|--------------------------|----------------------------------|
| <i>Unrestricted funds</i> | | | | | |
| <i>Designated funds</i> | | | | | |
| Designated capital fund | 567,000 | - | (43,000) | (60,000) | 464,000 |
| <i>General funds</i> | | | | | |
| Revenue funds | 921,900 | 2,759,749 | (3,229,940) | 60,000 | 511,709 |
| Retained in subsidiary | 10,830 | 306,884 | (309,083) | - | 8,631 |
| | 932,730 | 3,066,633 | (3,539,023) | 60,000 | 520,340 |
| <i>Total Unrestricted funds</i> | 1,499,730 | 3,066,633 | (3,582,023) | - | 984,340 |
| <i>Restricted funds</i> | | | | | |
| Capital grants | 154,512 | - | (8,634) | - | 145,878 |
| Sandwell MBC - Adult and Community Services | - | 11,761 | (11,761) | - | - |
| Kickstart | - | 14,587 | (14,587) | - | - |
| Education & Skills Council Traineeship | - | 5,000 | (5,000) | - | - |
| Lets Chat Grant | - | 92,042 | (92,042) | - | - |
| | 154,512 | 123,390 | (132,024) | - | 145,878 |
| <i>Total of funds</i> | 1,654,242 | 3,190,023 | (3,714,047) | - | 1,130,218 |

COMMUNITY TRANSPORT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Statement of funds (continued)

Group statement of funds - prior year

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2022 £ |
|--|---------------------------------|------------------|--------------------|--------------------------|-------------------------------------|
| <i>Unrestricted funds</i> | | | | | |
| <i>Designated funds</i> | | | | | |
| Designated capital fund | 295,000 | - | - | 272,000 | 567,000 |
| <i>General funds</i> | | | | | |
| Revenue funds | 1,705,434 | 3,128,618 | (3,640,152) | (272,000) | 921,900 |
| Retained in subsidiary | 13,005 | 154,474 | (156,649) | - | 10,830 |
| | <u>1,718,439</u> | <u>3,283,092</u> | <u>(3,796,801)</u> | <u>(272,000)</u> | <u>932,730</u> |
| <i>Total Unrestricted funds</i> | <u>2,013,439</u> | <u>3,283,092</u> | <u>(3,796,801)</u> | <u>-</u> | <u>1,499,730</u> |
| <i>Restricted funds</i> | | | | | |
| Capital grants | 163,146 | - | (8,634) | - | 154,512 |
| Sandwell MBC - Adult and Community Services | - | 14,112 | (14,112) | - | - |
| Coronavirus job retention scheme grant | - | 9,671 | (9,671) | - | - |
| Kickstart | - | 112,734 | (112,734) | - | - |
| Education & Skills Council Traineeship | - | 5,000 | (5,000) | - | - |
| | <u>163,146</u> | <u>141,517</u> | <u>(150,151)</u> | <u>-</u> | <u>154,512</u> |
| <i>Total of funds</i> | <u>2,176,585</u> | <u>3,424,609</u> | <u>(3,946,952)</u> | <u>-</u> | <u>1,654,242</u> |

16. Statement of funds (continued)

Capital grants relate to grants received to assist with the purchase of vehicles.

Sandwell MBC relates to grants received to assist with providing services in the Midlands.

Coronavirus job retention scheme grant relates to the government grant in response to furloughing employees in line with restrictions during the pandemic.

Kickstart relates to grants received to provide employability services for a number of young people. Funding was secured to assist in the delivery of skills training and in reimbursing wages of trainees.

Education and Skills Council Training Scheme relates to grants received to support the facilitation of placement opportunities as part of a wider scheme.

The Let's Chat Grant supports a pilot project, deliver with partners in the West Midlands. The project encourages people to socialise and engage with others, reducing loneliness and isolation. It is hoped that the pilot will continue beyond September 2023, and has been nominated for a national award for diversity and inclusion.

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17. Analysis of net assets between funds

Group analysis of net assets between funds - current period

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 340,136 | 145,878 | 486,014 |
| Current assets | 1,202,053 | - | 1,202,053 |
| Creditors due within one year | (522,020) | - | (522,020) |
| Creditors due in more than one year | (35,829) | - | (35,829) |
| Total | 984,340 | 145,878 | 1,130,218 |

Group analysis of net assets between funds - prior period

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 336,885 | 154,512 | 491,397 |
| Current assets | 1,640,604 | - | 1,640,604 |
| Creditors due within one year | (477,759) | - | (477,759) |
| Total | 1,499,730 | 154,512 | 1,654,242 |

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18. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2023 £ | Group 2022 £ |
|---|--------------------|--------------------|
| Net expenditure for the year (as per Statement of Financial Activities) | (524,024) | (522,343) |
| Adjustments for: | | |
| Depreciation charges | 76,677 | 72,047 |
| Profit on the sale of fixed assets | (23,607) | (11,608) |
| Decrease/(increase) in stocks | 3,874 | (4,737) |
| Decrease/(increase) in debtors | 63,463 | (122,066) |
| Increase in creditors | 28,049 | 73,207 |
| Net cash used in operating activities | (375,568) | (515,500) |

19. Analysis of cash and cash equivalents

| | Group 2023 £ | Group 2022 £ |
|--|--------------------|--------------------|
| Cash in hand | 630,608 | 1,001,822 |
| Total cash and cash equivalents | 630,608 | 1,001,822 |

20. Analysis of changes in net debt

| | At 1 April 2022 £ | Cash flows £ | New finance leases £ | At 31 March 2023 £ |
|--------------------------|-------------------------|------------------|----------------------------|--------------------------|
| Cash at bank and in hand | 1,001,822 | (371,214) | - | 630,608 |
| Finance leases | - | 15,171 | (67,212) | (52,041) |
| | 1,001,822 | (356,043) | (67,212) | 578,567 |

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21. Capital commitments

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|---|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <i>Contracted for but not provided in these financial statements</i> | | | | |
| Acquisition of tangible fixed assets | 464,486 | 464,486 | 464,486 | 464,486 |

22. Pension commitments

Community Transport participates in The Pensions Trust's Growth Plan ('the Plan'). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan.

Community Transport paid contributions at the rate of 6% during the year. Participating members are not required to contribute but can contribute AVC's. Total contributions for the year amounted to £57,648 (2022 - £59,130).

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multiemployer scheme, where the total assets are aggregated for investment purposes, and benefits are paid out of the Plan's total assets.

At 31 March 2023, the Charitable Company had outstanding pension contributions of £15,826 (2022 - £18,049).

The Director commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Director the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met.

The valuation results at 30 September 2021 were completed in 2022 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The valuation revealed a small surplus of assets compared with a value of liabilities of £3.8m, equivalent to a funding level of 100%. Based upon the preliminary valuation, no additional contributions will be payable by Community Transport.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

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22. Pension commitments (continued)

The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to the employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Community Transport has been notified by The Pensions Trust of the estimated employer debt of £47,251 (2022 - £73,652) on withdrawal from the Plan based on the financial position of the Plan as at 31 March 2023. This amount is treated as a contingent liability.

23. Operating lease commitments

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Not later than 1 year | 412,459 | 592,276 | 412,459 | 592,276 |
| Later than 1 year and not later than 5 years | 789,049 | 1,230,948 | 789,049 | 1,230,948 |
| | 1,201,508 | 1,823,224 | 1,201,508 | 1,823,224 |

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

| | Group 2023 £ | Group 2022 £ | Charity 2023 £ | Charity 2022 £ |
|-------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Operating lease rentals | 595,211 | 619,692 | 595,211 | 619,692 |

24. Related party transactions

The charitable company had no related party transactions to report in either year.

25. Post balance sheet events

On 8 August 2023, the charitable company sold its warehouse in Bilston and made a profit on sale of £762k.