

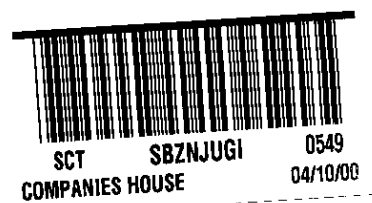
LOTHIAN COMMUNITY TRANSPORT SERVICES

(a company limited by guarantee)

Company Registered in Scotland No. 134332

**Directors' Report and Financial Statements
For the year to 31 March 2000**

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LOTHIAN COMMUNITY TRANSPORT SERVICES

(a company limited by guarantee)

Directors' Report and Financial Statements

For the year ended 31 March 2000

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Directors

J K S Booker	J G Moore (Managing Director)
J A Bruce	P W Randall
R M Clark	A T Rees (retired 2.11.99)
J Cook (Chairman)	S Tennent
M MacLeod	B Wilcox
	D M Wilson (appointed 2.11.99)

Secretary

J G Moore

Accountants

Scott-Moncrieff
17 Melville Street
Edinburgh

Auditors

Deloitte & Touche
39 George Street
Edinburgh

Bankers

Bank of Scotland
7 Wolseley Place
Edinburgh

Solicitors

Shepherd and Wedderburn WS

Registered Office

200 Sir Harry Lauder Road
Edinburgh
EH15 2QA

Charity No. SC018884

LOTHIAN COMMUNITY TRANSPORT SERVICES
(a company limited by guarantee)

Directors' Report

For the year ended 31 March 2000

The directors submit their annual report and audited financial statements for the year ended 31 March 2000.

Results

The results for the period are as shown in the Income and Expenditure Account and Statement of Financial Activities and the surplus has been transferred to reserves. The financial statements have been prepared in accordance with current statutory requirements and the charity's governing document.

The directors confirm that the charity's assets are available and adequate to fulfil the company's obligations.

Principal activities and review of business

The Company's principal activity is the provision of community transport services within Edinburgh and the Lothians. There have been no changes in objectives since the last annual report.

As a result of rising costs during a prolonged period of standstill funding in core local authority grants the company had to declare the post of Fleet Co-ordinator redundant.

The company has had to implement an ongoing fund raising strategy in order to meet perceived shortfalls in some local authority payments.

The three-year Volunteer Driver Brokerage Project (funded by the Unemployed Voluntary Action Fund) came to an end in March. The Project was very successful in that it enabled several people who had been unemployed to gain full-time work as a direct result of the experience and skills gained with the company. Unfortunately, it proved impossible to secure funding to allow the Project to continue in 2000/01.

Along with Lammermuir Community Transport, the company formed a consortium to apply to the National Lottery Charities Board for a capital grant to replace four ageing minibuses. The bid was successful, with two minibuses going to Lammermuir Community Transport and two being retained by the company.

A new minibus for the Midlothian base has been ordered with a grant from the Scottish Executive's Rural Community Transport Initiative.

A fourth Minibus Management Agreement was secured with the Edinburgh Campaign and Services for Homeless People.

The company was required to register for VAT at the start of the year, and this has led to higher costs for most of the groups using the company's services.

The directors have re-stated their policy of seeking to build up a general cash reserve of at least three months' running costs.

LOTHIAN COMMUNITY TRANSPORT SERVICES
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Directors' Report

For the year ended 31 March 2000

Connected company

The company has a wholly owned trading subsidiary, Community Transport Consultancy and Training Limited, which shares its registered office with the company. During the year the trading subsidiary made a charitable donation of £7,372 (1999 £1,591) to the company.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Auditors

Rutherford Manson Dowds merged their practice with Deloitte & Touche on 1 July 1999 and now carry on business under the name Deloitte & Touche. A resolution to reappoint Deloitte & Touche as auditors will be proposed at the Annual General Meeting.

By order of the board



Secretary
J Moore

Edinburgh 24 August 2000

LOTHIAN COMMUNITY TRANSPORT SERVICES

(a company limited by guarantee)

Auditor's Report to the Members

For the year ended 31 March 2000

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on pages 1 and 2 the company's directors are responsible for the preparation of financial statements which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2000 and of its incoming resources and application of resources, including its income and expenditure in the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Registered Auditor
Chartered Accountants
Edinburgh

29 February 2000

LOTHIAN COMMUNITY TRANSPORT SERVICES
(a company limited by guarantee)

Income & Expenditure

For the year to 31 March 2000

	Notes	2000 Total Funds £	1999 Total Funds £
Incoming resources			
Grants	2	269,455	248,164
Gain on sale of fixed assets		11,000	-
Other income		97,533	76,472
Bank interest		6,074	7,611
Total income		384,062	332,247
Expenditure			
Direct charitable activities	3	354,941	342,502
Fundraising and publicity	3	7,121	4,717
Management and administration	3	17,408	12,760
Total expenditure		379,470	359,979
Surplus/(deficit) for the year		4,592	(27,732)
Allocated thus:			
Restricted funds		3,527	(452)
Designated funds		(1,900)	(15,414)
General fund		2,965	(11,866)
		4,592	(27,732)

All the activities of the company relate to continuing operations.

The company has no recognised gains and losses other than those included in the income and expenditure account.

The notes on pages 7 and 11 form part of these financial statements

LOTHIAN COMMUNITY TRANSPORT SERVICES
(a company limited by guarantee)

Statement of Financial Activities

	Notes	Unrestricted General £	Unrestricted Designated £	Restricted Funds £	2000 Total Funds £	1999 Total Funds £
Incoming resources						
Grants	2	167,711	-	204,261	371,972	231,146
Less deferred income		-	-	(139,740)	(139,740)	-
Add release of deferred income		9,275	-	27,948	37,223	17,018
Gain on sale of fixed assets		11,000	-	-	11,000	-
Other income		79,383	10,118	8,032	97,533	76,472
Bank interest		6,074	-	-	6,074	7,611
Total incoming resources		273,443	10,118	100,501	384,062	332,247
Resources expended						
Direct charitable activities	3	252,338	10,999	91,604	354,941	342,502
Fundraising and publicity	3	5,857	201	1,063	7,121	4,717
Management and administration	3	12,283	818	4,307	17,408	12,760
Total resources expended	3	270,478	12,018	96,974	379,470	359,979
Surplus/(deficit) for the year		2,965	(1,900)	3,527	4,592	(27,732)
Fund balances at 1 April 1999		38,573	17,804	(58)	56,319	84,051
Fund balances at 31 March 2000		41,538	15,904	3,469	60,911	56,319

The notes on pages 7 to 11 form part of these financial statements

LOTHIAN COMMUNITY TRANSPORT SERVICES
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Balance Sheet

As at 31 March 2000

	Notes	£	2000 £	£	1999 £
Fixed assets					
Tangible assets	6		135,981		32,976
Investments	7		3		3
Current assets					
Debtors	8	72,811		19,318	
Cash at bank and in hand		64,338		75,925	
		137,149		95,243	
Creditors: amounts falling due within one year	9	(74,039)		(36,237)	
Net current assets			63,110		59,006
Total assets less current Liabilities					
			199,094		91,985
Deferred income	10		(138,183)		(35,666)
Net assets			60,911		56,319
Reserves					
Unrestricted funds					
- General	11		41,538		38,573
- Designated	11		15,904		17,804
			57,442		56,377
Restricted funds	11		3,469		(58)
			60,911		56,319

The financial statements were approved

by the directors on 24 August 2000


J Cook Director

The notes on pages 7 and 11 form part of these financial statements

LOTHIAN COMMUNITY TRANSPORT SERVICES

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Notes to the Financial Statements

For the year ended 31 March 2000

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historic cost convention and in accordance with applicable accounting standards in the United Kingdom and Statement of Recommended Practice – Accounting by Charities.

Depreciation

Depreciation is provided on fixed assets at rates calculated to write off the cost or valuation less estimated residual value of each asset evenly over its expected useful life as follows:

Motor vehicles	5 years
Fixtures and fittings	4 years

In the year of purchase a full years depreciation is provided.

Deferred income

Deferred income comprises grants and donations in respect of the acquisition of fixed assets which are amortised over the life of the relevant assets.

Grants

Grants of a revenue nature are credited to the income and expenditure account in the period to which they relate. This income is exempt from value added tax.

Cash flow statement

No cash flow statement has been prepared in accordance with the exemption granted to small companies under FRS1.

2. Grant income	2000	1999
	£	£
City of Edinburgh Council	111,791	111,791
Midlothian Council	43,143	43,143
East Lothian Council	-	1,121
West Lothian Council	12,777	12,453
Unemployed Voluntary Action Fund	26,420	27,166
National Lottery Charities Board – Capital	99,437	-
National Lottery Charities Board – Revenue	33,154	31,222
Scottish Executive	45,000	-
Midlothian Transport Action Group	250	250
Community Transport Association	-	4,000
	371,972	231,146
Less: deferred to future periods	(139,740)	-
Add: released from deferred income	37,223	17,018
	269,455	248,164

LOTHIAN COMMUNITY TRANSPORT SERVICES
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Notes to the Financial Statements - continued

For the year ended 31 March 2000

3. Analysis of expenditure	Direct Charitable £	Fundraising & publicity £	Management & administration £	Total 2000 £	Total 1999 £
Staff costs					
Salaries and wages	139,367	2,557	10,357	152,281	164,482
Social security costs	11,978	220	890	13,088	15,435
Pension	3,657	67	272	3,996	4,751
Recruitment	554	10	40	604	592
Redundancy	9,962	-	-	9,962	13,455
Staff expenses	3,793	69	282	4,144	4,024
Conferences and training	690	13	51	754	2,795
	<u>170,001</u>	<u>2,936</u>	<u>11,892</u>	<u>184,829</u>	<u>205,534</u>
Supplies and services					
Rent, rates and insurance	37,871	814	2,036	40,721	15,389
Office equipment, repairs and Maintenance	2,447	44	182	2,673	4,265
Heat, light and cleaning	1,186	22	88	1,296	2,023
Provisions	273	5	20	298	259
Office equipment leasing	3,086	57	229	3,372	3,230
Publications	-	2,825	-	2,825	1,948
	<u>44,863</u>	<u>3,767</u>	<u>2,555</u>	<u>51,185</u>	<u>27,114</u>
Vehicle costs					
Fuel	17,997	-	-	17,997	19,637
Vehicle licence and insurance	3,665	-	-	3,665	3,398
Vehicle repairs and maintenance	27,424	-	-	27,424	21,214
Vehicle leasing and hire	25,986	-	-	25,986	26,796
Sundry vehicle costs	1,718	-	-	1,718	511
	<u>76,790</u>	<u>-</u>	<u>-</u>	<u>76,790</u>	<u>71,556</u>
Other costs					
Printing and stationery	3,286	60	243	3,589	3,415
Postage and telephone	5,347	98	397	5,842	7,668
Auditors' remuneration	-	-	1,400	1,400	1,234
Accountancy fees	4,336	80	322	4,738	8,770
Legal fees	-	-	-	-	388
Subscriptions	437	8	32	477	781
Volunteer expenses	4,195	-	-	4,195	5,372
Sundries	1,344	29	72	1,445	2,161
Bad debts written off	-	-	-	-	459
Depreciation	39,460	53	133	39,646	17,018
Move of premises	4,882	90	362	5,334	6,899
Total other costs	<u>63,287</u>	<u>418</u>	<u>2,961</u>	<u>66,666</u>	<u>54,195</u>
Total expenditure	<u><u>354,941</u></u>	<u><u>7,121</u></u>	<u><u>17,408</u></u>	<u><u>379,470</u></u>	<u><u>359,979</u></u>

LOTHIAN COMMUNITY TRANSPORT SERVICES

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Notes to the Financial Statements - continued

For the year ended 31 March 2000

4. Staff costs and numbers	2000 £	1999 £
Directors' emoluments	27,567	39,793

One director received remuneration and expenses as an employee during the year. The other directors, including the chairman, received no remuneration or reimbursement of expenses during the year.

	Number	Number
The average number of employees during the year was	10	11

5. Taxation

The company has charitable status and is not liable to tax.

6. Tangible fixed assets	Motor Vehicles £	Fixtures & fittings £	Total £
Cost			
Balance at 1 April 1999	135,327	18,443	153,770
Additions	142,651	-	142,651
Disposals	(57,854)	-	(57,854)
Balance at 31 March 2000	220,124	18,443	238,567
Depreciation			
Balance at 1 April 1999	107,150	13,644	120,794
Charge for year	36,983	2,663	39,646
Eliminated on disposal	(57,854)	-	(57,854)
Balance at 31 March 2000	86,279	16,307	102,586
Net book value			
At 31 March 2000	133,845	2,136	135,981
At 31 March 1999	28,177	4,799	32,976

7. Investments

The company has a wholly owned trading subsidiary, Community Transport Consultancy and Training Limited, which shares its registered office with the company. During the year the trading subsidiary made a charitable donation of £7,372 (1999 £1,591) to the company.

LOTHIAN COMMUNITY TRANSPORT SERVICES

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Notes to the Financial Statements - continued

For the year to 31 March 2000

8.	Debtors		2000 £	1999 £	
	Trade debtors		9,025	7,256	
	Other debtors		54,787	1,591	
	Prepayments		8,999	10,471	
			72,811	19,318	
9.	Creditors: Amounts falling due within one year		2000 £	1999 £	
	Trade creditors		378	29,065	
	Community Transport Consultancy and Training Limited		3	3	
	Accruals		73,658	7,169	
			74,039	36,237	
10.	Deferred Income		2000 £	1999 £	
	Opening balance		35,666	51,104	
	Additions in respect of fixed assets purchased during the year		139,740	-	
	Released to the Income and Expenditure Account during the year		(37,223)	(21,768)	
	Grant received for future period (National Lottery Charities Board)		-	6,330	
	Closing balance		138,183	35,666	
11.	Reserves	Balance at 31 March 1999 £	Incoming Resources £	Resources Expended & transfers £	Balance at 31 March 2000 £
	Unrestricted funds – General	38,573	273,443	(270,478)	41,538
	Unrestricted funds – Designated				
	Contingency fund (a)	9,962	-	-	9,962
	Managed Vehicles Fund (b)	7,842	10,118	(12,018)	5,942
		17,804	10,118	(12,018)	15,904

LOTHIAN COMMUNITY TRANSPORT SERVICES

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Notes to the Financial Statements - continued

For the year to 31 March 2000

11. Reserves continued		Balance at 31 March 1999 £	Incoming Resources £	Resources Expended & transfers £	Balance at 31 March 2000 £
<i>Restricted funds</i>					
Unemployed Voluntary Action Fund	(c)	236	26,420	(26,471)	185
National Lottery Charities Board	(d)	(377)	39,846	(37,512)	1,957
National Lottery Charities Board Capital	(e)	-	23,645	(23,645)	-
Scottish Executive	(f)	-	9,000	(9,000)	-
Midlothian Transport Action Group	(g)	83	250	(125)	208
Bonnyrigg and Lasswade Seniors Forum	(h)	-	1,340	(221)	1,119
		(58)	100,501	(96,974)	3,469
		56,319	384,062	(379,470)	60,911

- (a) The directors have designated a contingency fund.
- (b) The directors have designated funds for future operational costs of minibuses management on behalf of other voluntary organisations.
- (c) The three-year Volunteer Driver Brokerage Project (funded by a grant from the Unemployed Voluntary Action Fund) came to an end in March. The small residual balance will be used to pay volunteer minibus drivers' expenses.
- (d) The National Lottery Charities Board provided a grant for the second year of a three-year programme to support the with-driver minibus hire service.
- (e) The National Lottery Charities Board provided the Lothian Minibus Project with a one-off capital grant to purchase four wheelchair accessible minibuses: two to be owned by the charity and two to be owned by Lammermuir Community Transport Services. The grant has been deferred over a period of 5 years.
- (f) The Scottish Executive Rural Community Transport Initiative awarded a grant to purchase a wheelchair accessible minibus for the Midlothian base. The grant has been deferred over a period of 5 years.
- (g) The company administers a fund on behalf of the Midlothian Transport Action Group.
- (h) The company administers a fund on behalf of the Bonnyrigg & Lasswade Senior's Forum. The fund represents a sum received in advance for the payment of minibus hires.