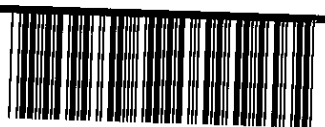


LOTHIAN COMMUNITY TRANSPORT SERVICES
(a company limited by guarantee)

Company Registered in Scotland No. 134332

Directors' Report and Financial Statements
For the year to 31 March 2001



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COMPANIES HOUSE 12/09/01

LOTHIAN COMMUNITY TRANSPORT SERVICES
(a company limited by guarantee)

Directors' Report and Financial Statements

For the year ended 31 March 2001

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Directors

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

Secretary

J G Moore

Accountants

Scott-Moncrieff
17 Melville Street
Edinburgh

Auditors

Johnston Smillie
22 Craigmount Avenue
Edinburgh

Bankers

Bank of Scotland
7 Wolsely Place
Edinburgh

Solicitors

Shepherd and Wedderburn WS

Registered Office

200 Sir Harry Lauder Road
Edinburgh
EH15 2QA

Charity No. SC018884

COMPANIES HOUSE

0031
12/09/01

LOTHIAN COMMUNITY TRANSPORT SERVICES
(a company limited by guarantee)

Directors' Report

For the year ended 31 March 2001

The directors submit their annual report and audited financial statements for the year ended 31 March 2001.

Results

The results for the period are as shown in the Income and Expenditure Account and Statement of Financial Activities and the deficit 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.

The three-year project funded by the National Lottery Charities Board came to an end during the year. The project was a great success, and conclusively demonstrated the need for a with-driver minibus hire service among community and voluntary groups. It also showed how such a service can lead to gains in fleet efficiency, with a minibus very often completing two or three hires each day. Although it was not possible to secure new funding to allow the retention of a withdriver minibus hire service in Edinburgh and West Lothian, the company was very pleased when Midlothian Council agreed an additional grant to extend the project in Midlothian for a further period in 2001/02.

During the year, the company was also successful in its application to the Coalfields Regeneration Trust for a grant. This has enabled the acquisition of a low floor minibus, and the appointment of two part-time drivers (until March 2002), in order to meet new needs in Midlothian.

The company has launched two very successful pilot Community Bus routes in Midlothian, and hopes to be able to secure the necessary funding to allow their continuation in 2001/02.

In West Lothian, the company has continued its collaborative venture with Local Volunteer Enterprise (Bathgate) to operate the Community Driver Project.

In Edinburgh, the company has joined with some other voluntary sector transport operators to form the Edinburgh Community Transport Operators Group in order to work with the City of Edinburgh Council to develop a community transport strategy.

The company was unable to sub-let its previous premises in Willowbrae Road, and so had to bear the costs of maintaining the lease until its expiry in July. Because of the move to new premises in 1999, the company lost its eligibility for charitable relief on water rates at its Edinburgh base and this has resulted in unexpected additional expenditure.

The company has had to continue its reliance on a fund raising strategy in order to meet perceived shortfalls in some local authority payments. The directors have prioritised the need to build up reserves to provide a minimum of three months' running costs.

LOTHIAN COMMUNITY TRANSPORT SERVICES

(a company limited by guarantee)

Directors' Report

For the year ended 31 March 2001

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 £14,807 (2000 £7,372) 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

Johnston Smillie were appointed auditors on 14 December 2000. A resolution to reappoint Johnston Smillie as auditors will be proposed at the Annual General Meeting.

By order of the board



Secretary
J Moore

Edinburgh 23 August 2001

LOTHIAN COMMUNITY TRANSPORT SERVICES

(a company limited by guarantee)

Auditor's Report to the Members

For the year ended 31 March 2001

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 as at 31 March 2001 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.



Johnston Smillie
Registered Auditor
Chartered Accountants
Edinburgh

7 September 2001

LOTHIAN COMMUNITY TRANSPORT SERVICES

(a company limited by guarantee)

Income & Expenditure

For the year to 31 March 2001

	Notes	2001 Total Funds £	2000 Total Funds £
Incoming resources			
Grants	2	261,885	269,455
Gain on sale of fixed assets		-	11,000
Charitable donation		14,807	7,372
Other income		95,643	90,161
Bank interest		5,590	6,074
Total income		377,925	384,062
Expenditure			
Direct charitable activities	3	351,256	354,941
Fundraising and publicity	3	7,649	7,121
Management and administration	3	20,651	17,408
Total expenditure		379,556	379,470
Deficit for the year		(1,631)	4,592
Allocated thus:			
Restricted funds		(1,246)	3,527
Designated funds		(1,795)	(1,900)
General fund		1,410	2,965
		(1,631)	4,592

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

For the year to 31 March 2001

	Notes	Unrestricted General £	Unrestricted Designated £	Restricted Funds £	2001 Total Funds £	2000 Total Funds £
Incoming resources						
Grants	2	172,780	-	90,471	263,251	371,972
Less deferred income		-	-	(54,504)	(54,504)	(139,740)
Add release of deferred income		338	-	52,800	53,138	37,223
Gain on sale of fixed assets		-	-	-	-	11,000
Charitable donation		14,807	-	-	14,807	7,372
Other income		81,505	13,985	153	95,643	90,161
Bank interest		5,590	-	-	5,590	6,074
Total incoming resources		275,020	13,985	88,920	377,925	384,062
Resources expended						
Direct charitable activities	3	250,679	14,360	86,217	351,256	354,941
Fundraising and publicity	3	6,572	284	793	7,649	7,121
Management and administration	3	16,359	1,136	3,156	20,651	17,408
Total resources expended	3	273,610	15,780	90,166	379,556	379,470
Surplus/(deficit) for the year		1,410	(1,795)	(1,246)	(1,631)	4,592
Fund balances at 1 April 2000		41,538	15,904	3,469	60,911	56,319
Fund balances at 31 March 2001		42,948	14,109	2,223	59,280	60,911

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

LOTHIAN COMMUNITY TRANSPORT SERVICES
(a company limited by guarantee)

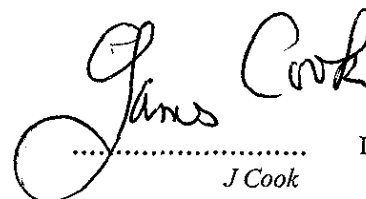
Balance Sheet

As at 31 March 2001

	Notes	£	2001 £	£	2000 £
Fixed assets					
Tangible assets	6		139,910		135,981
Investments	7		3		3
Current assets					
Debtors	8	45,655		72,811	
Cash at bank and in hand		50,986		64,338	
		<u>96,641</u>		<u>137,149</u>	
Creditors: amounts falling due within one year	9	<u>(37,725)</u>		<u>(74,039)</u>	
Net current assets			58,916		63,110
Total assets less current Liabilities			<u>198,829</u>		<u>199,094</u>
Deferred income	10		(139,549)		(138,183)
Net assets			<u>59,280</u>		<u>60,911</u>
Reserves					
Unrestricted funds					
- General	11		42,948		41,538
- Designated	11		14,109		15,904
			<u>57,057</u>		<u>57,442</u>
Restricted funds	11		2,223		3,469
			<u>59,280</u>		<u>60,911</u>

The financial statements were approved

by the directors on 23 August 2001



 J Cook Director

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

LOTHIAN COMMUNITY TRANSPORT SERVICES

(a company limited by guarantee)

Notes to the Financial Statements

For the year ended 31 March 2001

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.

VAT

The company is partially exempt for VAT. The irrecoverable VAT is shown separately in the analysis of expenditure.

Pension

The company participates in a pension scheme with the Pensions Trust in a defined contributions scheme. In addition, contributions are made to personal pension funds. In all cases the assets of the schemes are held separately from those of the company in independently administered funds.

Cash flow statement

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

2. Grant income		2001	2000
		£	£
City of Edinburgh Council	- Revenue	111,791	111,791
	- Grant toward cost of move	4,000	-
Midlothian Council	- Revenue	43,143	43,143
	- Grant towards computer upgrade	750	-
West Lothian Council		13,096	12,777
Unemployed Voluntary Action Fund		-	26,420
National Lottery Charities Board – Capital		-	99,437
National Lottery Charities Board – Revenue		25,790	33,154
Scottish Executive		-	45,000
Midlothian Transport Action Group		-	250
Coalfields Regeneration Trust	- Capital	50,344	-
Coalfields Regeneration Trust	- Revenue	14,337	-
		263,251	371,972
Less: deferred to future periods		(54,504)	(139,740)
Add: released from deferred income		53,138	37,223
		261,885	269,455

LOTHIAN COMMUNITY TRANSPORT SERVICES
(a company limited by guarantee)

Notes to the Financial Statements - continued

For the year ended 31 March 2001

3. Analysis of expenditure	Direct Charitable £	Fundraising & publicity £	Management administration £	& Total 2001 £	Total 2000 £
Staff costs					
Salaries and wages	144,969	2,834	11,501	159,304	152,281
Social security costs	12,515	245	993	13,753	13,088
Pension	3,589	70	285	3,944	3,996
Recruitment	434	8	34	476	604
Redundancy	759	-	-	759	9,962
Staff expenses	2,614	51	207	2,872	4,144
Conferences and training	1,651	32	131	1,814	754
	166,531	3,240	13,151	182,922	184,829
Supplies and services					
Rent, rates and insurance	29,758	582	2,361	32,701	40,721
Office equipment, repairs and Maintenance	2,988	58	237	3,283	2,673
Heat, light and cleaning	937	18	74	1,029	1,296
Provisions	223	4	18	245	298
Office equipment leasing	3,233	63	256	3,552	3,372
Publications	-	2,385	-	2,385	2,825
Publicity	-	460	-	460	
	37,139	3,570	2,946	43,655	51,185
Vehicle costs					
Fuel	21,686	-	-	21,686	17,997
Vehicle licence and insurance	7,393	-	-	7,393	3,665
Vehicle repairs and maintenance	20,037	-	-	20,037	27,424
Vehicle leasing and hire	28,233	-	-	28,233	25,986
Sundry vehicle costs	555	-	-	555	1,718
	77,904	-	-	77,904	76,790
Other costs					
Printing and stationery	3,166	62	251	3,479	3,589
Postage and telephone	4,776	93	379	5,248	5,842
Auditors' remuneration	-	-	1,150	1,150	1,400
Accountancy fees	4,778	93	379	5,250	4,738
Subscriptions	203	4	16	223	477
Volunteer expenses	2,249	-	-	2,249	4,195
Sundries	3,267	64	259	3,590	1,445
Depreciation	47,052	441	1,788	49,281	39,646
Move of premises	-	-	-	-	5,334
Irrecoverable VAT	4,191	82	332	4,605	
Total other costs	69,682	839	4,554	75,075	66,666
Total expenditure	351,256	7,649	20,651	379,556	379,470

LOTHIAN COMMUNITY TRANSPORT SERVICES
(a company limited by guarantee)

Notes to the Financial Statements - continued

For the year ended 31 March 2001

4. Staff costs and numbers	2001 £	2000 £
Directors' emoluments	32,728	27,567

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	12	10

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 2000	220,124	18,443	238,567
Additions	50,344	2,866	53,210
Disposals	-	-	-
 Balance at 31 March 2001	 270,468	 21,309	 291,777
Depreciation			
Balance at 1 April 2000	86,279	16,307	102,586
Charge for year	47,052	2,229	49,281
Eliminated on disposal	-	-	-
 Balance at 31 March 2001	 133,331	 18,536	 151,867
Net book value			
At 31 March 2001	137,137	2,773	139,910
 At 31 March 2000	 133,845	 2,136	 135,981

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 £14,807 (2000 £7,372) to the company.

LOTHIAN COMMUNITY TRANSPORT SERVICES
(a company limited by guarantee)

Notes to the Financial Statements - continued

For the year to 31 March 2001

8.	Debtors		2001 £	2000 £	
	Trade debtors		10,368	9,025	
	Community Transport Consultancy and Training Limited		14,807	7,372	
	Other debtors		11,422	47,415	
	Prepayments		9,058	8,999	
			45,655	72,811	
9.	Creditors: Amounts falling due within one year		2001 £	2000 £	
	Trade creditors		6,955	378	
	Community Transport Consultancy and Training Limited		3	3	
	Accruals		21,781	73,658	
	Other creditors		8,986	-	
			37,725	74,039	
10.	Deferred Income		2001 £	2000 £	
	Opening balance		138,183	35,666	
	Additions in respect of fixed assets purchased during the year		50,344	139,740	
	Released to the Income and Expenditure Account during the year		(53,138)	(37,223)	
	Grant received for future period (National Lottery Charities Board)		4,160	-	
	Closing balance		139,549	138,183	
11.	Reserves	Balance at 31 March 2000 £	Incoming Resources £	Resources Expended & transfers £	Balance at 31 March 2001 £
	Unrestricted funds – General	41,538	275,020	(273,610)	42,948
	Unrestricted funds – Designated				
	Contingency fund (a)	9,962	-	-	9,962
	Managed Vehicles Fund (b)	5,942	13,985	(15,780)	4,147
		15,904	13,985	(15,780)	14,109

LOTHIAN COMMUNITY TRANSPORT SERVICES

(a company limited by guarantee)

Notes to the Financial Statements - continued

For the year to 31 March 2001

11. Reserves continued		Balance at 31 March 2000 £	Incoming Resources £	Resources Expended & transfers £	Balance at 31 March 2001 £
<i>Restricted funds</i>					
Unemployed Voluntary Action Fund	(c)	185	-	(185)	-
National Lottery Charities Board	(d)	1,957	32,120	(34,077)	-
Coalfields Regeneration Trust	(e)	-	10,177	(8,130)	2,047
Midlothian Transport Action Group	(f)	208	-	(32)	176
Bonnyrigg and Lasswade Seniors Forum	(g)	1,119	153	(1,272)	-
Capital Grants	(h)	-	46,470	(46,470)	-
		3,469	88,920	(90,166)	2,223
		60,911	377,925	(379,556)	59,280

- (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 2000. The small residual balance was used to pay volunteer minibus drivers' expenses.
- (d) The National Lottery Charities Board provided a grant for the third year of a three-year programme to support the with-driver minibus hire service.
- (e) The Coalfields Regeneration Trust provided a grant for a six month period of an eighteen month programme to support the driver minibus hire service.
- (f) The company administers a fund on behalf of the Midlothian Transport Action Group.
- (g) The company administered a fund on behalf of the Bonnyrigg & Lasswade Senior's Forum. The fund represented a sum received in advance for the payment of minibus hires.
- (h) Capital grants are deferred and released to revenue over the lives of the assets acquired.