

Registration number SC200686

**Annandale Transport Initiative
Company limited by guarantee**

**Directors' report and financial statements
for the year ended 31st March 2016**

Annandale Transport Initiative
Company limited by guarantee

Company information

Directors	Mr D Boncey Mr J Dewar Mr G Kitt Mr A Purves Madam McKerrell of Hillhouse Mr J Scott Mr K Torrington Mr W Fergie Mr E Jensen
Secretary	Ms J.Saunders
Company number	SC200686
Charity number	SC029660
Registered office	72 - 74 High Street Lockerbie DG11 2AA
Independent Examiners	Carson & Trotter Chartered Accountants 123 Irish Street Dumfries DG1 2PE
Business address	72-74 High Street Lockerbie Dumfriesshire DG11 2AA
Bankers	The Royal Bank of Scotland 21 High Street Lochmaben DG11 1NG

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Directors' report
for the year ended 31st March 2016

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report and the financial statements for the year ended 31st March 2016.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard for Smaller Entities.

Objectives and activities

The Company activities in the year under review were charitable, in line with the objects:

The provision of community transport and other services for the inhabitants of Annandale and the surrounding areas in need by reason of disablement, poverty, social or economic circumstances.

Annandale Transport Initiative provides vehicle hire for community groups and individuals in need, a programme of weekly day trips, driver and passenger assistant training and other services designed to meet the transport needs identified in the community.

Achievements and performance

Annandale Transport Initiative provides three 16-seater minibuses, a 14-seater minibus, a 12-seater minibus and two community cars for use by the community. Both cars and 4 of the minibuses are wheelchair accessible. Buses are based at Moffat, Lockerbie, Annan, Gretna and Langholm. Due to its age, one of the minibuses previously in use had to be taken off the road in January 2016.

At 31st March 2016 the organisation had 154 group members and 31 individual members. There were 998 minibus hires providing 21,914 passenger journeys, 2,648 of which were passengers with disability, and 77 day trips providing 2,024 passenger journeys over the accounting period. The community cars were hired 411 times providing 1,400 passenger journeys, 762 of which were passengers with disability. Evaluations sent to both registered members and day trip passengers demonstrated a high level of satisfaction with the services provided.

There are a core of 35 volunteer drivers who drive for day trips, maintenance journeys and for groups and individuals without their own driver. ATI provided minibus driver training for 77 drivers, 21 of which was refresher training, over the accounting year. There are 4 trainers able to deliver Minibus Driver training. In addition one trainer can deliver training sessions for drivers of the cars. ATI does not employ any drivers and therefore all services are provided on a volunteer basis.

ATI has continued to focus efforts on raising capital funding to replace ageing minibuses. Capital funding is very difficult to source and it is a particular challenge for ATI due its broad based membership and availability. Many funds specify particular categories of people they want to help and such a diverse membership as ATI does not always meet their criteria. The need to raise funds to replace a minibus became critical when a bus had to be taken off the road in January. Successful applications were made to the Annandale & Nithsdale Community Benefit Company (£27,500), Moffat Charitable Trust (£10,000) and Magnox Socioeconomic Group (£5,000 for minibus purchase and £1,495 for seat fixings and wheelchair/passenger restraints). A major challenge is the driver licencing restrictions for drivers who passed their driving test after 01/01/1997. This category of driver (known as non-D1 drivers) does not have full entitlement to drive minibuses (there are some limited exemptions). The Community Transport Association are involved in discussions with the Scottish Government to improve access to D1 training.

ATI employs 3 members of office staff (2 full time equivalent) to provide administrative services and carry out the day to day running of the organisation. A fourth, part time member of staff, the Vehicle Condition Assistant, cleans and checks the vehicles (3 per week). The office is based in Lockerbie in the same building as the Dumfries & Galloway Handyvan Service. This location gives ATI a prominent position on Lockerbie High Street and it has increased the number of visitors.

The 4 sub committees meet throughout the year:-

Personnel/Grievance Group

Strategy/Finance Group

Marketing/Press Group

Vehicles Group

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Directors' report
for the year ended 31st March 2016

Financial review

At the end of 2015-2016 the organisation is solvent, as indicated in the Accounts attached to this Report; the organisation has sufficient funding for the period 2016 - 2017 to meet ongoing costs, although this will mean using some funds from reserves. Unfortunately the funding offered by Dumfries & Galloway Council (DGC) is only for one year and this has an impact on the ability of ATI to plan for the future. ATI is campaigning for funding for community transport to be awarded on a 3 year basis to assist forward planning to support transport services for the most vulnerable members of the community. ATI also seeks a clear commitment from Dumfries & Galloway Council that it will safeguard the principles established by the Scottish Executive, to support community transport, when funding was transferred from a national programme to the local authority. The Board remains optimistic that ATI's excellent reputation and history of delivering services will support its case for future funding at an appropriate level to maintain its services for the community of Annandale and Eskdale. There was a deficit of £4,067 for the year compared to a surplus of £75,207 in 2015. At 31st March 2016 unrestricted reserves were £155,560.

Reserves policy

The company receives core funding grants from Dumfries & Galloway Council, which form part of the company's unrestricted funds. Reserves are at a level appropriate to meet ongoing running costs for each quarter pending recovery of grant from Dumfries & Galloway Council.

The directors have identified the need to maintain a reserve sufficient to cover the costs of approximately three months expenditure relating to overhead costs, estimated at £25,000. They have also designated £35,000 for the replacement & improvement of vehicles. Unrestricted reserves as at 31st March 2016 are in addition to these amounts.

Structure, governance and management

Annandale Transport Initiative was constituted as a company limited by guarantee and not having a share capital on 12th October 1999 and is governed by a Board of Directors. Directors are appointed in accordance with the terms of the Memorandum and Articles of Association.

Recruitment and appointment

Under the requirements of the Memorandum and Articles of Association the directors are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

The elected directors all represent member groups or individuals to ensure that the needs of the members are reflected in the governing body. The directors bring a range of skills to the organisation ranging from business and vehicle experiences and expertise to an understanding of issues facing elderly and disabled groups. In the event of particular skills being required or lost to the organisation, individuals are approached to offer themselves for election to the Management Committee: if they do not represent a member there are two spaces for co-opted directors. One of these spaces has been used to co-opt Mr G Kitt for his financial expertise.

Induction and training

New directors are provided with a full induction pack covering operational policies, the organisation and its structure, the business plan and financial information; there is also a briefing by the Manager. Information is also provided about the roles and responsibilities of directors. Directors are encouraged to visit the office base to get a fuller understanding of the work of the charity and have undertaken to participate in regular training where deemed necessary.

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Directors' report
for the year ended 31st March 2016

Risk management

The directors have assessed the major risks to which the charity is exposed in particular those related to the operations and financing of the company and are satisfied that systems are in place to mitigate these risks. All drivers are trained to a nationally recognised standard (Minibus Driver Awareness Scheme Training). Procedures are in place to ensure compliance with health and safety of staff, volunteers and passengers. Workstation assessments have been carried out and will be regularly reviewed. The organisation is funded until March 2017 and the Funding Sub Committee is investigating future funding sources.

Organisational structure

The Board of Directors of up to 14 members meet on a monthly basis and are responsible for the strategic direction and policy of the charity. Within the board of directors there are four sub-committees focusing on Personnel, Strategy, Marketing and Finance, who along with the Manager report back to the Board of Directors with recommendations for action. There is also an ad hoc vehicle purchase sub committee which meets as required.

Reference and administration details

Charity Number:	SC029660
Company Number:	SC200686
Registered Office:	72-74 High Street, Lockerbie, DG11 2AA
Independent Examiners:	Carson & Trotter, Chartered Accountants 123 Irish Street, Dumfries, DG1 2PE
Company Secretary:	Ms J Saunders

The directors as at 31st March 2016 were as follows. All served throughout the year unless otherwise shown.

Mr J Dewar	Vice Chairperson
Mr G Kitt	Treasurer
Mr D Boncey	Resigned 22/10/15
Mr W Fergie	
Mr D Heal	Appointed 22/10/15
Mr P Henderson	Resigned 23/09/15
Mr E Jensen	Appointed 18/08/15
Madam McKerrell of Hillhouse	
Mr A Purves	
Mr J Scott	
Mr K Torrington	Resigned 19/04/16
Mr J Nisbet	Appointed 22/10/15

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Directors' report
for the year ended 31st March 2016

Statement of directors' responsibilities

The trustees (who are also directors of Annandale Transport Initiative for the purposes of company law) are responsible for preparing the Directors' 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 directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRSSE);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

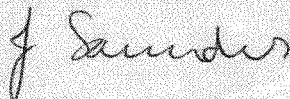
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small Company Exemptions

This report is prepared in accordance with the special provisions of Section 415A of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 11th October 2016 and signed on its behalf by

Ms J Saunders
Secretary



Annandale Transport Initiative
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Independent Examiner's Report to the Directors of
Annandale Transport Initiative

I report on the accounts of the charity for the year ended 31st March 2016 which are set out on pages 6 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44 (1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

a. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;

have not been met; or

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



Gillian Gray BAcc C.A.
Carson & Trotter
Chartered Accountants
123 Irish Street
Dumfries
DG1 2PE

Date: 24th October 2016

Annandale Transport Initiative
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Statement of Financial Activities (incorporating Income and Expenditure Account)
for the year ended 31st March 2016

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Notes	2016 £	2016 £	2016 £	2015 £
Income from:					
Donations and legacies	2	67,403	-	67,403	60,379
Investment income	3	443	-	443	974
Charitable activities	4	44,662	17,070	61,732	141,705
Total Income		<u>112,508</u>	<u>17,070</u>	<u>129,578</u>	<u>203,058</u>
Expenditure on:					
Charitable activities	5	133,645	-	133,645	127,851
Total Expenditure		<u>133,645</u>	<u>-</u>	<u>133,645</u>	<u>127,851</u>
Net income/(expenditure) for the year	6	(21,137)	17,070	(4,067)	75,207
Transfers					
Gross transfers between funds		1,347	(1,347)	-	-
Net movement in funds		<u>(19,790)</u>	<u>15,723</u>	<u>(4,067)</u>	<u>75,207</u>
Reconciliation of funds:					
Fund Balance Brought Forward at 1st April 2015		175,350	2,750	178,100	102,893
Fund Balance Carried Forward at 31st March 2016		<u>155,560</u>	<u>18,473</u>	<u>174,033</u>	<u>178,100</u>

The notes on pages 9 to 16 form an integral part of these financial statements.

Annandale Transport Initiative
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Company Number SC200686

Balance sheet
as at 31st March 2016

	Notes	£	2016	£	£	2015	£
Fixed assets							
Tangible assets	10			91,569			121,977
Current assets							
Debtors	11		14,611			19,806	
Cash at bank and in hand			74,215			45,187	
			88,826			64,993	
Creditors: amounts falling due within one year	12		(6,362)			(8,870)	
Net current assets				82,464			56,123
Net assets				174,033			178,100
The funds of the charity:							
Unrestricted							
General fund	13			12,158			4,593
Designated fund	13			143,402			170,757
Restricted fund							
Restricted fund	13			18,473			2,750
Total charity funds				174,033			178,100

The directors' statements required by Section 475 are shown on the following page which forms part of this Balance Sheet.

The notes on pages 9 to 16 form an integral part of these financial statements.

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Balance sheet (continued)

Directors' statements required by Section 475
for the year ended 31st March 2016

For the year ending 31st March 2016 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

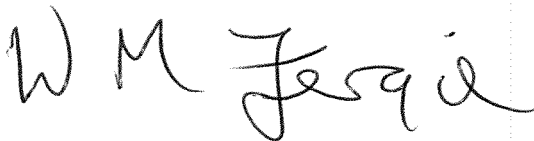
Directors' responsibilities:

(a) the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section Section 476 ;

(b) the directors' acknowledge their responsibilities for complying with the requirements of the act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the Board on 11th October 2016 and signed on its behalf by



W Fergie
Director

The notes on pages 9 to 16 form an integral part of these financial statements.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2016

1. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and have been consistently applied within the same accounts.

1.1. Basis of preparation of financial statements

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16th July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2. Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income, probability of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

1.3. 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 charity 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 charity for particular purposes. The cost 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.

1.4. Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing to the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity and includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. The activity of the charity is providing community transport and as such all support costs are allocated to this activity.

1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Computer equipment	-	Straight line over 3 years
Fixtures & equipment	-	25% Reducing balance
Motor vehicles	-	25% Reducing balance

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2016

..... continued

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

1.7 Company status

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.8 Restatement of 2015 accounts

The 2015 comparative figures and the opening balances for 2016 have been restated where appropriate in line with the requirements of the 2015 SORP. There are no changes to the overall totals on the Statement of Financial Activities and no changes to any of the figures on the balance sheet.

2. Donations and legacies

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Core grants received				
Grant income	42,500	-	42,500	34,930
Bus Services Operators Grant	20,480		20,480	20,964
	<u>62,980</u>	<u>-</u>	<u>62,980</u>	<u>55,894</u>
Other donations				
Membership fees	4,161	-	4,161	3,767
Donations	262	-	262	718
	<u>4,423</u>	<u>-</u>	<u>4,423</u>	<u>4,485</u>
	<u>67,403</u>	<u>-</u>	<u>67,403</u>	<u>60,379</u>

Of the donations and legacies receivable in 2015, £60,379 was unrestricted.

3. Investment income

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Bank interest received	443	-	443	974
	<u>443</u>	<u>-</u>	<u>443</u>	<u>974</u>

Of the investment income in 2015, £974 was unrestricted.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2016

..... continued

4. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Grant & donation income - Minibus	-	17,070	17,070	102,750
	-	17,070	17,070	102,750
Other charitable income				
Hires	29,978	-	29,978	25,976
Fares	8,010	-	8,010	8,279
MIDAS / PATS training	3,600	-	3,600	1,710
Administration recharges	3,074	-	3,074	2,990
	44,662	-	44,662	38,955
	44,662	17,070	61,732	141,705

Of the income from charitable activities receivable in 2015, £102,750 was restricted and £38,955 was unrestricted.

5. Analysis of expenditure on charitable activities:

	Activities Undertaken Directly	Support & Governance Costs	2016 Total	2015 Total
Community Transport Provision	130,340	3,305	133,645	127,851

Support & governance costs include the following:

	Community Transport 2016	Community Transport 2015
Accountancy and BSOG fee	1,070	885
Director expenses	104	925
Room hire	121	115
IIP assessment	2,010	-
	3,305	1,925

Of the expenditure on charitable activities in 2015, £127,851 was unrestricted.

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Notes to the financial statements
for the year ended 31st March 2016

..... continued

6. Net income/(expenditure) for the year	2016	2015
	£	£
Net income/(expenditure) for the year is stated after charging:		
Depreciation and other amounts written off tangible assets	30,206	17,151
Loss on disposal of tangible fixed assets	752	1,419
	<u> </u>	<u> </u>
7. Employees		
Number of employees	2016	2015
	Number	Number
The average monthly numbers of employees (including the directors) during the year were:	13	15
	<u> </u>	<u> </u>
Employment costs	2016	2015
	£	£
Wages and salaries	45,319	44,167
Other pension costs	8,892	8,728
	<u> </u>	<u> </u>
	<u>54,211</u>	<u>52,895</u>

Directors received no remuneration (2015 - nil) in the year but two directors received re-imbursement of expenses amounting to £104 (2015 - £925).

There are no high paid staff.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2016

..... continued

8. Pension costs

The Company participates in the Scottish Voluntary Sector Pension Scheme (the Scheme). The Scheme is a multi-employer defined benefit (DB) pension scheme. The Scheme is funded and was contracted-out of the State scheme until 31 March 2010, when the Scheme was closed to future accrual.

The Scheme operated a single benefit structure, final salary with a 1/60th accrual rate until 30 September 2007. From October 2007 there were two benefit structures available, final salary with a 1/60th accrual rate and final salary with an 1/80th accrual rate, until the date of Scheme closure on 31 March 2010.

The Scheme closed to future accrual on 31 March 2010. There is currently no intention to wind-up the Scottish Voluntary Sector Pension Scheme and it continues in paid-up form.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the Scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes and benefits are paid from total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable and amounted to £8,892 (2015 - £8,728).

The last formal valuation of the Scheme was performed as at 30 September 2014, by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at 30 September 2014 was £88.2 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £33.9 million (equivalent to a past service funding level of 72.2%).

The financial assumptions underlying the valuation as at 30 September 2014 were

	% p.a.
Rate of return pre retirement	4.1
Rate of return post retirement	3.3
Rate of salary increases	3.1
Rate of pension increases pre 5 April 2005	2.2
Rate of pension increases post 5 April 2005	1.8
Rate of price inflation (CPI)	2.2

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall

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Notes to the financial statements
for the year ended 31st March 2016

..... continued

From 1 April 2016 a new recovery plan came into effect, following the finalisation of the 2014 valuation.

If the valuation assumptions are borne out in practice, this pattern of contributions should be sufficient to eliminate the entire funding shortfall, by 31 March 2029.

A copy of the recovery plan must be sent to The Pensions Regulator after each valuation is finalised. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan).

The recovery plan from the 2014 valuation has been submitted to The Pensions Regulator.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2015. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £95 million (from £81m at 30 September 2013) and indicated a decrease in the shortfall of assets compared to liabilities to approximately £35.6 million (from £36m at 30 September 2013), equivalent to a past service funding level of 72.7% (from 71% at 30 September 2013).

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 Scheme. The debt is due in the event of the employer becoming insolvent or ceasing to participate in the Scheme, or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to 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. Therefore, the amount of the debt depends on many factors including total Scheme liabilities, Scheme 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 be volatile over time.

The company has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2015. As of this date the estimated employer debt for Annandale Transport Initiative was £85,828.

9. Taxation

The Company has charitable status for taxation purposes and accordingly it is not liable to Corporation Tax.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2016

..... continued

10. Tangible fixed assets	Computer equipment £	Fixtures & equipment £	Motor vehicles £	Total £
Cost				
At 1st April 2015	6,219	4,438	259,892	270,549
Additions	503	1,347	-	1,850
Disposals	-	-	(41,645)	(41,645)
At 31st March 2016	6,722	5,785	218,247	230,754
Depreciation				
At 1st April 2015	6,218	3,624	138,730	148,572
On disposals	-	-	(39,593)	(39,593)
Charge for the year	168	260	29,778	30,206
At 31st March 2016	6,386	3,884	128,915	139,185
Net book values				
At 31st March 2016	336	1,901	89,332	91,569
At 31st March 2015	1	814	121,162	121,977

11. Debtors: all receivable within one year	2016 £	2015 £
Trade debtors	14,301	14,001
Other debtors	310	5,805
	14,611	19,806

12. Creditors: amounts falling due within one year	2016 £	2015 £
Trade creditors	4,803	7,327
Other taxes and social security costs	674	683
Accruals and deferred income	885	860
	6,362	8,870

Annandale Transport Initiative
Company limited by guarantee

Notes to the financial statements
for the year ended 31st March 2016

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13. Funds

	Funds at 1st April 2015	Income	Expenditure	Transfers	Funds at 31st March 2016
	£	£	£	£	£
Unrestricted funds:					
- general	4,593	112,508	133,645	28,702	12,158
- designated	170,757	-	-	(27,355)	143,402
Restricted funds	2,750	17,070	-	(1,347)	18,473
	<u>178,100</u>	<u>129,578</u>	<u>133,645</u>	<u>-</u>	<u>174,033</u>

14. Designated funds

	2016 £
a) Capital funding grants	83,402
b) Vehicle Replacement & Improvement Fund	35,000
c) General Provision Fund	25,000
	<u>143,402</u>

a) Grants received for the purchase of vehicles are shown in the Balance Sheet as a designated fund and released to the Statement of Financial Activities in the same proportions as depreciation.

b) Funds designated for the purchase of new vehicles or improvements to existing vehicles.

c) This represents a provision for approximately 25% of overhead expenditure.

15. Analysis of net assets between funds

	Tangible fixed assets £	Other net assets £	Total £
Unrestricted funds	91,569	63,991	155,560
Restricted funds	-	18,473	18,473
	<u>91,569</u>	<u>82,464</u>	<u>174,033</u>

16. Related party transactions

No transactions with related parties were undertaken during the year.

17. Controlling interest

The company is under the control of the directors.