

Registration number SC200686

**Annandale Transport Initiative
Company limited by guarantee**

**Directors' report and financial statements
for the year ended 31st March 2015**

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 P Henderson 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 2015

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 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

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. The directors as at 31st March 2015 were as follows. All served throughout the year unless otherwise shown.

Mr D Hunter-Grant	Retired 05/01/15
Mr J Dewar	Vice Chairperson
Mr G Kitt	Treasurer
Mr D Boncey	
Mr W Fergie	
Mr G Ferrie	Retired 28/08/14
Mr P Henderson	Chairperson
Mr R McDonald	Retired 31/10/14
Madam McKerrell of Hillhouse	
Mr A Purves	
Mr J Scott	
Mr K Torrington	
Mr T Jack	Co-opted 02/12/14, Resigned 16/03/15

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. Mr G Kitt has been re-appointed as Treasurer on 2nd December 2014 due to 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 2015

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 2016 and the Funding Sub Committee is investigating future funding sources. An Environmental Policy was introduced in November 2006 covering all aspects of the operation from vehicles to office processes.

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.

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;
- 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.

Objects 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.

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Directors' report
for the year ended 31st March 2015

Achievements, performance and plans for future periods

Annandale Transport Initiative provides four 16-seater minibuses, a 14 seater minibus, a 12-seater minibus and two community cars for use by the community. Both cars and 5 of the minibuses are wheelchair accessible. Buses are based at Moffat, Lockerbie, Annan, Gretna and Langholm.

At 31st March 2015 the organisation had 161 group members and 22 individual members. There were approximately 916 minibus hires providing 23,422 passenger journeys, 3004 of which were passengers with disability, and 88 day trips providing 2202 passenger journeys over the accounting period. The community cars were hired 350 times. 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 38 volunteer drivers (with a very low turnover) who drive for day trips, maintenance journeys and for groups and individuals without their own driver. ATI provided minibus driver training for 53 drivers, 19 of which was refresher training, over the accounting year. A new Driver/Assessor Trainer was trained so there are now 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 been focussing 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. However the Scottish Government announced a community transport vehicle fund and ATI was able to secure £50,000 of funding for the purchase of a replacement minibus which was delivered in November 2014. Funding to replace a second minibus, sourced from 5 funders (The Holywood Trust, Awards for All, The Robertson Trust, The Garfield Weston Foundation and The Trusthouse Charitable Foundation) was secured and a second bus was delivered in February 2015. Further efforts continue to replace a 16 passenger seats minibus with over 259,000 miles on the clock and to raise funds to provide a larger minibus in Langholm which would be suitable for non-D1 drivers. A major challenge is the driver licensing restrictions for drivers who passed their driving test after 1/1/1997. This category of driver (known as non-D1 drivers) does not have full entitlement to drive minibuses (there are some limited exceptions). Drivers can sit a D1 test to gain full entitlement but this is expensive (upward of £700) and therefore prohibitive for most voluntary organisations. ATI will be investigating the possibility of organising affordable D1 training and also taking the restrictions of non-D1 drivers into account when purchasing minibuses, i.e. buy lighter vehicles.

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 2015

Financial review

At the end of 2014-2015 the organisation is solvent, as indicated in the Accounts attached to this Report; the organisation has sufficient funding for the period 2015 - 2016 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.

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.

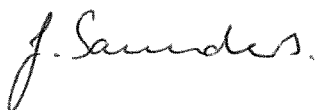
The directors have identified the need to maintain a reserve sufficient to cover the costs of approximately three months expenditure relating to overhead costs, estimated at £25,000. They have also designated £35,000 for the replacement & improvement of vehicles. Unrestricted reserves as at 31st March 2015 are in addition to these amounts.

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 18th August 2015 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 2015 which are set out on pages 6 to 17.

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, C.A.
Carson & Trotter
Chartered Accountants
123 Irish Street
Dumfries
DG1 2PE

Date: 25th August 2015

Annandale Transport Initiative
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Statement of Financial Activities (incorporating income and expenditure account)
for the year ended 31st March 2015

		Restricted Funds 2015 £	Unrestricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
	Notes				
<u>Incoming Resources</u>					
Incoming resources from generated funds					
Voluntary income	2	-	60,379	60,379	68,519
Investment income	3	-	974	974	860
Incoming resources from charitable activities	4	102,750	38,955	141,705	41,602
<u>Total Incoming Resources</u>		<u>102,750</u>	<u>100,308</u>	<u>203,058</u>	<u>110,981</u>
<u>Resources Expended</u>					
Charitable activities	5	-	111,324	111,324	99,457
Governance costs	6	-	16,527	16,527	17,858
<u>Total Resources Expended</u>		<u>-</u>	<u>127,851</u>	<u>127,851</u>	<u>117,315</u>
<u>Net income/(expenditure) for the year</u>	7	102,750	(27,543)	75,207	(6,334)
Transfers					
Gross transfers between funds		100,000	100,000	-	-
Net movement in funds		2,750	72,457	75,207	(6,334)
<u>Fund Balance Brought Forward at 1st April 2014</u>		-	102,893	102,893	109,227
<u>Fund Balance Carried Forward at 31st March 2015</u>		<u>2,750</u>	<u>175,350</u>	<u>178,100</u>	<u>102,893</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

Annandale Transport Initiative
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Company Number SC200686

Balance sheet
as at 31st March 2015

	Notes	£	2015	£	2014	£
Fixed assets						
Tangible assets	11			121,977		38,254
Current assets						
Debtors	12	19,806			18,162	
Cash at bank and in hand		45,187			53,760	
				<u>64,993</u>	<u>71,922</u>	
Creditors: amounts falling due within one year	13	(8,870)			(7,283)	
Net current assets				56,123		64,639
Net assets				<u>178,100</u>		<u>102,893</u>
Accumulated funds						
Unrestricted	14					
General fund				4,593		13,242
Designated fund	15			170,757		89,651
Restricted fund						
Restricted fund	16			2,750		-
Members' funds				<u>178,100</u>		<u>102,893</u>

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 17 form an integral part of these financial statements.

Annandale Transport Initiative
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Balance sheet (continued)

Directors' statements required by Section 475
for the year ended 31st March 2015

For the year ending 31st March 2015 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 April 2008).

The financial statements were approved and authorised for issue by the Board on 18th August 2015 and signed on its behalf by



P Henderson
Director

The notes on pages 9 to 17 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 2015

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 under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

1.2. Incoming resources

All incoming resources are included gross in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

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. Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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
Office equipment	-	25% Reducing balance
Motor vehicles	-	25% Reducing balance

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.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2015

..... continued

2. Voluntary income

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Core grants received				
Grant income	34,930	-	34,930	43,000
Bus Services Operators Grant (net)	20,964		20,964	21,556
	<u>55,894</u>	<u>-</u>	<u>55,894</u>	<u>64,556</u>
Other voluntary income				
Membership fees	3,767	-	3,767	3,463
Donations	718	-	718	500
	<u>4,485</u>	<u>-</u>	<u>4,485</u>	<u>3,963</u>
	<u>60,379</u>	<u>-</u>	<u>60,379</u>	<u>68,519</u>

3. Investment income

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Bank interest received	974	-	974	860
	<u>974</u>	<u>-</u>	<u>974</u>	<u>860</u>

4. Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Grant & donation income - Minibus	-	102,750	102,750	-
	<u>-</u>	<u>102,750</u>	<u>102,750</u>	<u>-</u>
Other charitable income				
Hires	25,976	-	25,976	27,480
Fares	8,279	-	8,279	7,964
MIDAS / PATS training	1,710	-	1,710	2,460
Administration recharges	2,990	-	2,990	3,698
	<u>38,955</u>	<u>-</u>	<u>38,955</u>	<u>41,602</u>
	<u>38,955</u>	<u>102,750</u>	<u>141,705</u>	<u>41,602</u>

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2015

..... continued

5. Charitable activities

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Motor expenses	36,961	-	36,961	33,736
Travelling and subsistence	2,618	-	2,618	1,812
Staff training	2,949	-	2,949	2,680
Advertising	625	-	625	399
Depreciation	18,261	-	18,261	12,379
Wages and salaries	36,196	-	36,196	35,864
Staff pension costs	7,320	-	7,320	6,916
Light and heat	1,179	-	1,179	830
Office rent	2,097	-	2,097	2,048
Insurance	522	-	522	576
Telephone, internet and postage	1,640	-	1,640	1,343
Cleaning	666	-	666	630
Water rates	290	-	290	244
	<u>111,324</u>	<u>-</u>	<u>111,324</u>	<u>99,457</u>

6. Governance Costs

	Unrestricted Funds £	Restricted Funds £	2015 Total Funds £	2014 Total Funds £
Wages and salaries	7,971	-	7,971	8,101
Staff pension costs	1,408	-	1,408	1,340
Room hire	115	-	115	70
Office rent	233	-	233	228
Insurance	58	-	58	64
Legal & professional	-	-	-	575
Stationery and photocopying	1,199	-	1,199	740
Subscriptions	241	-	241	241
Accountancy	885	-	885	860
Director expenses	925	-	925	766
Payroll charges	430	-	430	412
Computer costs	1,220	-	1,220	2,266
Telephone, internet and postage	182	-	182	149
General expenses	1,188	-	1,188	1,247
Light & Heat	131	-	131	92
Water rates	32	-	32	27
Depreciation	309	-	309	680
	<u>16,527</u>	<u>-</u>	<u>16,527</u>	<u>17,858</u>

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2015

..... continued

7. Net income/(expenditure) for the year	2015	2014
	£	£
Net income/(expenditure) for the year is stated after charging:		
Depreciation and other amounts written off tangible assets	17,151	13,059
Loss on disposal of tangible fixed assets	1,419	-
	<hr/>	<hr/>
8. Employees		
Number of employees	2015	2014
The average monthly numbers of employees	Number	Number
(including the directors) during the year were:	15	15
	<hr/>	<hr/>
Employment costs	2015	2014
	£	£
Wages and salaries	44,167	43,965
Other pension costs	8,728	8,256
	<hr/>	<hr/>
	52,895	52,221
	<hr/>	<hr/>

Directors received no remuneration (2014 - nil) in the year but some directors received re-imbursement of expenses amounting to £925 (2014 - £766).

There are no high paid staff.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2015

..... continued

9. 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 £8,728 (2014 - £8,256)

The last formal valuation of the Scheme was performed as at 30 September 2011, by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at 30 September 2011 was £66.2 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £28.8 million (equivalent to a past service funding level of 69.7%).

The financial assumptions underlying the valuation as at 30 September 2011 were

	% p.a.
Rate of return pre retirement	5.8
Rate of return post retirement	4.0
Rate of salary increases	4.4
Rate of pension increases pre 5 April 2005	2.4
Rate of pension increases post 5 April 2005	1.9
Rate of price inflation (CPI)	2.4

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 2015

..... continued

From 1 April 2013 a new recovery plan came into effect, following the finalisation of the 2011 valuation. Confirmation of the contributions payable from 1 April 2014 to 31 March 2015 was advised to employers by letter in February 2014.

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 2028.

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 2011 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 2013. 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 £81 million (from £73m at 30 September 2012) and indicated a decrease in the shortfall of assets compared to liabilities to approximately £34 million (from £36m at 30 September 2012), equivalent to a past service funding level of 71% (from 67.2% at 30 September 2012).

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 2014. As of this date the estimated employer debt for Annandale Transport Initiative was £69,133

10. Taxation

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

Annandale Transport Initiative
Company limited by guarantee

Notes to the financial statements
for the year ended 31st March 2015

..... continued

11. Tangible fixed assets	Computer equipment £	Office equipment £	Motor vehicles £	Total £
Cost				
At 1st April 2014	6,219	4,438	240,615	251,272
Additions	-	-	105,585	105,585
Disposals	-	-	(86,308)	(86,308)
At 31st March 2015	6,219	4,438	259,892	270,549
Depreciation				
At 1st April 2014	6,180	3,353	203,485	213,018
On disposals	-	-	(81,597)	(81,597)
Charge for the year	38	271	16,842	17,151
At 31st March 2015	6,218	3,624	138,730	148,572
Net book values				
At 31st March 2015	1	814	121,162	121,977
At 31st March 2014	39	1,085	37,130	38,254

12. Debtors: all receivable within one year	2015 £	2014 £
Trade debtors	14,001	16,988
Other debtors	5,805	1,174
	19,806	18,162

13. Creditors: amounts falling due within one year	2015 £	2014 £
Trade creditors	7,327	5,801
Other taxes and social security costs	683	647
Accruals and deferred income	860	835
	8,870	7,283

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14. Analysis of net assets in unrestricted funds

	Tangible fixed assets	Other net	Total
	£	£	£
Unrestricted funds	121,977	53,373	175,350

15. Designated funds

	2015 £
a).Capital funding grants	110,757
b).Vehicle Replacement & Improvement Fund	35,000
c).General Provision Fund	25,000
	170,757

a).In accordance with SSAP4 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.

16. Restricted funds

	Balance at 31st March 2014	Movement in resources Incoming	Outgoing	Transferred to unrestricted funds	Balance at 31st March 2015
	£	£	£	£	£
Restricted funds	-	102,750	-	(100,000)	2,750

Grants and donations were received in the year to assist with vehicle refurbishment.

17. Directors interest in contracts

The charity is a member of the Community Transport Association, and a director also attends the Scottish CTA members meetings. There is a regional organisation, the Dumfries and Galloway Accessible Transport Forum (DGATF), which brings together transport operators from the public sector (including the Local Authority, the NHS and the Ambulance Service), community transport operators and other organisations providing transport in the area. This provides a useful forum to share good practice and problem solving. The following director, whilst director of Annandale Transport Initiative, also held an official position in the following organisation:

Director	Organisation	Position held
Mr D Hunter-Grant	Dumfries and Galloway Accessible Transport Forum (DGATF)	Director

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18. Controlling interest

The company is under the control of the directors.