

Registration number SC200686

**Annandale Transport Initiative
Company limited by guarantee**

Directors' report and financial statements

for the year ended 31st March 2017

Annandale Transport Initiative
Company limited by guarantee

Company information

| | |
|-----------------------|---|
| Directors | Mr J Dewar Mr F Davis Mr J Nisbet Mr G Kitt Mr E Jensen Madam McKerrell of Hillhouse Mr J Scott Mr W Fergie Mr P Farrell Miss H Crichton |
| 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 |

Annandale Transport Initiative
Company limited by guarantee

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Annandale Transport Initiative
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Directors' report
for the year ended 31st March 2017

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 2017.

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 applicable in the UK and Republic of Ireland (FRS102).

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 four 16-seater minibuses, a 14-seater minibus, a 12-seater minibus and two community cars for use by the community. In February a new 16-seater minibus joined the fleet, the result of grant funding from Scottish Power Renewables' Harstanes Wind Farm (through the Annandale and Nithsdale Community Benefit Company), Moffat Charitable Trust, Magnox Socio Economic Scheme, Morrison's Foundation and donations from ATI member groups. This replaced a vehicle withdrawn from use in January 2016. ATI also purchased a pre-owned Kangoo providing two passenger seats and space for a passenger travelling in a wheelchair. This opportunity was provided by another Community transport group which found it had insufficient use; it is anticipated that this will be used to meet increasing demand from individual users. All 3 cars and 4 of the minibuses are wheelchair accessible. Buses are based at Moffat, Lockerbie, Annan, Gretna and Langholm.

At 31st March 2017 the organisation had 147 group members and 37 individual members. There were 885 minibus hires providing 20,828 passenger journeys, 2,544 of which were passengers with disability, and 92 day trips providing 2,104 passenger journeys over the accounting period. The community cars were hired 392 times providing 1,260 passenger journeys, 375 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 34 volunteer drivers who drive for day trips, maintenance journeys and for groups and individuals without their own driver. ATI does not employ any drivers and therefore all services are provided on a volunteer basis. ATI provided minibus driver training for 65 drivers, 36 of which was refresher training, over the accounting year. There are 3 trainers able to deliver Minibus Driver training.

ATI has invested considerable effort on securing revenue funding for the financial year 2017/18 and the years beyond. The level of support from Dumfries and Galloway Council has decreased over the years and while ATI has been relatively well supported by Annandale & Eskdale Area Committee, the Board have been frustrated that funding for community transport is not provided on a regional strategic basis as part of the transport network. An ongoing, growing challenge is the driver licensing 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 exceptions). The Scottish Government has provided funding to train trainers who can deliver D1 training, however licensing rules that they cannot deliver this training for 3 years after qualification. ATI has put forward one trainer (an existing Driver Assessor Trainer) for this training. There are forthcoming reviews into Section 19 permits and driver licensing which may affect operations in the future however it is unclear how these may relate to volunteer drivers.

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Directors' report
for the year ended 31st March 2017

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. Due to long term sick leave of one of the Co-ordinators, a temporary member of staff was employed from April 2016 to February 2017. 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

Financial review

At the end of 2016-2017 the organisation is solvent, as indicated in the Accounts attached to this Report; the organisation has sufficient funding for the period 2017 - 2018 to meet ongoing costs. Funding is currently sourced on a year by year basis and this has an impact on the ability of ATI to plan for the future. Due to the proposed cut in the amount of Council funding for which ATI could apply, the unprecedented decision was taken to launch a petition, calling for ATI to be funded. This gathered over 3,000 signatures, however Dumfries and Galloway Council, whilst sympathetic, has admitted that other services have a higher priority than community transport. The Board remains committed to delivering transport services and is taking part in the newly formed Public Social Partnership in Co-operation with the Council, SWESTRANS, the NHS and other operators. There was a surplus of £44,538 for the year compared to a deficit of £7,427 in 2016. At 31st March 2017 unrestricted reserves were £164,873 and total reserves £193,109.

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 £15,000 for the replacement & improvement of vehicles. Unrestricted reserves as at 31st March 2017 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.

Annandale Transport Initiative
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Directors' report
for the year ended 31st March 2017

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.

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 2018 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: | Linda Brannock BA CA Carson & Trotter, Chartered Accountants 123 Irish Street, Dumfries, DG1 2PE |
| Company Secretary: | Ms J Saunders |

The directors as at 31st March 2017 were as follows. All served throughout the year unless otherwise shown.

| | |
|------------------------------|------------------------------|
| Mr W Fergie | Chairperson |
| Mr J Dewar | Vice Chairperson |
| Mr G Kitt | Treasurer |
| Mr D Heal | Resigned 30th September 2016 |
| Mr E Jensen | |
| Madam McKerrell of Hillhouse | |
| Mr A Purves | Resigned 13th October 2016 |
| Mr J Scott | |
| Miss H Crichton | Appointed 10th November 2016 |
| Mr J Nisbet | |
| Mr F Davis | Appointed 10th November 2016 |
| Mr P Farrell | Appointed 10th November 2016 |
| Mr K Torrington | Resigned 19th April 2016 |

Annandale Transport Initiative
Company limited by guarantee

Directors' report
for the year ended 31st March 2017

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:

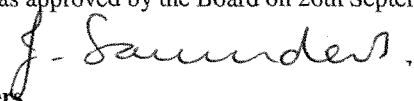
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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 26th September 2017 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 2017 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

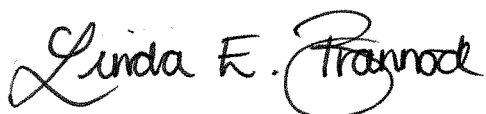
In the course of my examination, no matter has come to my attention:

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.



Linda Brannock BA C.A.
Carson & Trotter
Chartered Accountants
123 Irish Street
Dumfries
DG1 2PE

Date: 26th September 2017

Annandale Transport Initiative
Company limited by guarantee

Statement of Financial Activities (incorporating Income and Expenditure Account)
for the year ended 31st March 2017

| | | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
|--|-------|--------------------|------------------|----------------|----------------|
| | Notes | 2017 | 2017 | 2017 | 2016 |
| | | £ | £ | £ | £ |
| Income from: | | | | | |
| Donations and legacies | 2 | 65,915 | - | 65,915 | 67,403 |
| Investment income | 3 | 961 | - | 961 | 443 |
| Charitable activities | 4 | 61,888 | 63,790 | 125,678 | 61,732 |
| Total Income | | <u>128,764</u> | <u>63,790</u> | <u>192,554</u> | <u>129,578</u> |
| Expenditure on: | | | | | |
| Charitable activities | 5 | 146,170 | - | 146,170 | 132,000 |
| Other expenditure | 6 | 624 | - | 624 | 483 |
| Total Expenditure | | <u>146,794</u> | <u>-</u> | <u>146,794</u> | <u>132,483</u> |
| Net income/(expenditure) for the year before gains/(losses) | 7 | (18,030) | 63,790 | 45,760 | (2,905) |
| Transfers | | | | | |
| Gross transfers between funds | | 54,027 | (54,027) | - | - |
| Other recognised gains/(losses): | | | | | |
| Other gains/(losses) | | (1,222) | - | (1,222) | (4,522) |
| Net movement in funds | | <u>34,775</u> | <u>9,763</u> | <u>44,538</u> | <u>(7,427)</u> |
| Reconciliation of funds: | | | | | |
| Fund Balance Brought Forward at 1st April 2016 | | <u>130,098</u> | <u>18,473</u> | <u>148,571</u> | <u>155,998</u> |
| Fund Balance Carried Forward at 31st March 2017 | | <u>164,873</u> | <u>28,236</u> | <u>193,109</u> | <u>148,571</u> |

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

Annandale Transport Initiative
Company limited by guarantee

Company Number SC200686

Balance sheet
as at 31st March 2017

| | | 2017 | | 2016 | |
|---|-------|---------|----------|---------|----------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 11 | | 121,703 | | 91,569 |
| Current assets | | | | | |
| Debtors | 12 | 25,133 | | 14,611 | |
| Cash at bank and in hand | | 78,489 | | 74,215 | |
| | | 103,622 | | 88,826 | |
| Creditors: amounts falling due within one year | 13 | (6,752) | | (6,362) | |
| Net current assets | | | 96,870 | | 82,464 |
| Total net assets excluding pension liability | | | 218,573 | | 174,033 |
| Pension scheme liability | | | (25,464) | | (25,462) |
| Net assets | | | 193,109 | | 148,571 |
| The funds of the charity: | | | | | |
| Unrestricted | | | | | |
| General fund | 14 | | (13,290) | | (13,304) |
| Designated fund | 14 | | 178,163 | | 143,402 |
| Restricted fund | | | | | |
| Restricted fund | 14 | | 28,236 | | 18,473 |
| Total charity funds | | | 193,109 | | 148,571 |

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

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 2017

For the year ending 31st March 2017 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

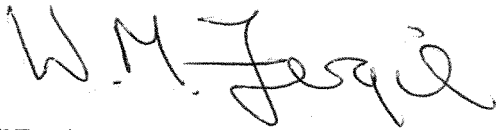
Directors' responsibilities:

(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.

The financial statements were approved and authorised for issue by the Board on 26th September 2017 and signed on its behalf by

Company registration number: SC200686

A handwritten signature in black ink, appearing to read 'W. M. Fergie', is written over the printed name and title.

W Fergie
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 2017

1. Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.1. General information and basis of preparation

Annandale Transport Initiative is a company limited by guarantee registered in Scotland. 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. The address of the registered office is given in the directors report.

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Annandale Transport Initiative meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The charity adopted SORP FRS102 in the current year and an explanation as to how transition has affected the financial position and performance is given in note 17.

1.2. Income recognition

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Investment income is recognised on a receivable basis.

No amount is included in the financial statements for volunteer time in line with SORP (FRS102).

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.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2017

..... continued

1.4. Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. 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 |

1.6. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.7. Pensions

The company participates in a multi-employer defined benefit scheme. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for it as a defined contribution scheme.

1.8 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 2017

..... continued

2. Donations and legacies

| | Unrestricted funds £ | Restricted funds £ | 2017 Total funds £ | 2016 Total funds £ |
|------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Core grants received | | | | |
| Grant income | 44,000 | - | 44,000 | 42,500 |
| Bus Services Operators Grant | 17,479 | | 17,479 | 20,480 |
| | <u>61,479</u> | <u>-</u> | <u>61,479</u> | <u>62,980</u> |
| Other donations | | | | |
| Membership fees | 4,119 | - | 4,119 | 4,161 |
| Donations | 317 | - | 317 | 262 |
| | <u>4,436</u> | <u>-</u> | <u>4,436</u> | <u>4,423</u> |
| | <u>65,915</u> | <u>-</u> | <u>65,915</u> | <u>67,403</u> |

Of the income from donations and legacies receivable in 2016, £67,403 was unrestricted.

3. Investment income

| | Unrestricted funds £ | Restricted funds £ | 2017 Total funds £ | 2016 Total funds £ |
|------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Bank interest received | 961 | - | 961 | 443 |
| | <u>961</u> | <u>-</u> | <u>961</u> | <u>443</u> |

Of the investment income in 2016, £443 was unrestricted.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2017

..... continued

4. Income from charitable activities

| | Unrestricted funds | Restricted funds | 2017 Total funds | 2016 Total funds |
|-----------------------------------|--------------------|------------------|---------------------|---------------------|
| | £ | £ | £ | £ |
| Grant & donation income - Minibus | - | 63,790 | 63,790 | 17,070 |
| | - | 63,790 | 63,790 | 17,070 |
| Other charitable income | | | | |
| Hires | 32,325 | - | 32,325 | 29,978 |
| Fares | 9,026 | - | 9,026 | 8,010 |
| MIDAS / PATS training | 3,575 | - | 3,575 | 3,600 |
| Administration recharges | 3,234 | - | 3,234 | 3,074 |
| Expense recharges | 13,578 | - | 13,578 | - |
| Other income | 150 | - | 150 | - |
| | 61,888 | - | 61,888 | 44,662 |
| | 61,888 | 63,790 | 125,678 | 61,732 |

Of the income from charitable activities receivable in 2016, £17,070 was restricted and £44,662 was unrestricted.

5. Analysis of expenditure on charitable activities:

| | Activities Undertaken Directly | Support & Governance Costs | 2017 Total | 2016 Total |
|-------------------------------|--------------------------------|----------------------------|---------------|---------------|
| Community Transport Provision | 144,651 | 1,519 | 146,170 | 132,000 |

Support & governance costs include the following:

| | Community Transport 2016 | Community Transport 2015 |
|--------------------------|-----------------------------|-----------------------------|
| Accountancy and BSOG fee | 1,110 | 1,070 |
| Director expenses | 314 | 104 |
| Room hire | 95 | 121 |
| IIP assessment | - | 2,010 |
| | 1,519 | 3,305 |

Of the expenditure on charitable activities in 2016, £133,645 was unrestricted.

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Notes to the financial statements
for the year ended 31st March 2017

..... continued

6. Other expenditure

| | Unrestricted funds £ | Restricted funds £ | 2017 Total funds £ | 2016 Total funds £ |
|------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Unwinding of discount factor | 624 | - | 624 | 483 |
| | <u>624</u> | <u>-</u> | <u>624</u> | <u>483</u> |

Of the other expenditure in 2016, £483 was unrestricted.

| 7. Net income/(expenditure) for the year | 2017 £ | 2016 £ |
|---|-------------------|-------------------|
| Net income/(expenditure) for the year is stated after charging: | | |
| Depreciation and other amounts written off tangible assets | 26,840 | 30,206 |
| Loss on disposal of tangible fixed assets | - | 752 |
| | <u>-</u> | <u>752</u> |

8. Independent examiners remuneration

The independent examiners remuneration amounts to an independent examination fee of £925 (2016 £910) and accountancy services of £160 (2016 £160).

9. Employees

| Number of employees | 2017 Number | 2016 Number |
|--|------------------------|------------------------|
| The average monthly numbers of employees during the year were: | <u>5</u> | <u>4</u> |
| Employment costs | 2017 £ | 2016 £ |
| Wages and salaries | 50,333 | 45,319 |
| Other pension costs | 7,299 | 7,247 |
| | <u>57,632</u> | <u>52,566</u> |

Directors received no remuneration (2016 - nil) in the year but two directors received re-imbursement of expenses amounting to £314 (2016 - £104).

No employees had employee benefits in excess of £60,000.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2017

..... continued

10. 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.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £66.21m, liabilities of £95.04m and a deficit of £28.83m.

A further full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £88.22m, liabilities of £122.15m and a deficit of £33.93m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities. Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate of 1.76% (2016 2.55%) which are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Reconciliation of provision at present value

| | 31st March 2017 | 31st March 2016 |
|---|-----------------|-----------------|
| | £ | £ |
| Provision at start of period | 25,462 | 22,102 |
| Unwinding of discount factor (interest expense) | 624 | 483 |
| Deficit contribution paid | (1,844) | (1,645) |
| Remeasurements - impact of change in assumptions | 1,222 | (480) |
| Remeasurements - amendments to contributions schedule | - | 5,002 |
| Provision at end of period | <u>25,464</u> | <u>25,462</u> |

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 2016. As of this date the estimated employer debt for Annandale Transport Initiative was £118,973.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2017

..... continued

| 11. Tangible fixed assets | Computer equipment £ | Fixtures & equipment £ | Motor vehicles £ | Total £ |
|---------------------------|----------------------------|------------------------------|------------------------|------------|
| Cost | | | | |
| At 1st April 2016 | 6,722 | 5,785 | 218,247 | 230,754 |
| Additions | 1,247 | - | 55,727 | 56,974 |
| At 31st March 2017 | 7,969 | 5,785 | 273,974 | 287,728 |
| Depreciation | | | | |
| At 1st April 2016 | 6,386 | 3,884 | 128,915 | 139,185 |
| Charge for the year | 582 | 475 | 25,783 | 26,840 |
| At 31st March 2017 | 6,968 | 4,359 | 154,698 | 166,025 |
| Net book values | | | | |
| At 31st March 2017 | 1,001 | 1,426 | 119,276 | 121,703 |
| At 31st March 2016 | 336 | 1,901 | 89,332 | 91,569 |

| 12. Debtors: all receivable within one year | 2017 £ | 2016 £ |
|---|-----------|-----------|
| Trade debtors | 13,086 | 14,301 |
| Other debtors | 12,047 | 310 |
| | 25,133 | 14,611 |

| 13. Creditors: amounts falling due within one year | 2017 £ | 2016 £ |
|--|-----------|-----------|
| Trade creditors | 5,358 | 4,803 |
| Other taxes and social security costs | 469 | 674 |
| Accruals and deferred income | 925 | 885 |
| | 6,752 | 6,362 |

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2017

..... continued

14. Funds

| | Funds at 1st April 2016 | Income | Expenditure | Transfers | Gains/ (losses) | Funds at 31st March 2017 |
|---------------------|----------------------------|----------------|----------------|-----------|--------------------|-----------------------------|
| | £ | £ | £ | £ | £ | £ |
| Unrestricted funds: | | | | | | |
| - general | (13,304) | 128,764 | 146,794 | 19,266 | (1,222) | (13,290) |
| - designated | 143,402 | - | - | 34,761 | - | 178,163 |
| Restricted funds | 18,473 | 63,790 | - | (54,027) | - | 28,236 |
| | <u>148,571</u> | <u>192,554</u> | <u>146,794</u> | <u>-</u> | <u>(1,222)</u> | <u>193,109</u> |

15. Designated funds

| | 2017 £ |
|---|----------------|
| a) Capital funding grants | 113,163 |
| b) Vehicle Replacement & Improvement Fund | 35,000 |
| c) General Provision Fund | 30,000 |
| | <u>178,163</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.

16. Analysis of net assets between funds

| | Tangible fixed assets £ | Other net assets £ | Total £ |
|--------------------|-------------------------------|--------------------------|----------------|
| Unrestricted funds | 121,703 | 43,170 | 164,873 |
| Restricted funds | - | 28,236 | 28,236 |
| | <u>121,703</u> | <u>71,406</u> | <u>193,109</u> |

17. Related party transactions

No transactions with related parties were undertaken during the year.

Annandale Transport Initiative
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Notes to the financial statements
for the year ended 31st March 2017

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18. Transition to FRS102

These are the first financial statements that comply with FRS102. The charity transitioned to FRS102 on 1st April 2015.

Reconciliation of equity

| | At 1st April 2015 | | | At 31st March 2016 | | |
|--|--------------------------|-------------------------|----------------------|---------------------------|-------------------------|----------------------|
| | Previously stated | Effect of transition | FRS102 (restated) | Previously stated | Effect of transition | FRS102 (restated) |
| | £ | £ | £ | £ | £ | £ |
| Fixed assets | 121,977 | - | 121,977 | 91,569 | - | 91,569 |
| Current assets | 64,993 | - | 64,993 | 88,826 | - | 88,826 |
| Creditors amounts falling due within 1 year | (8,870) | - | (8,870) | (6,362) | - | (6,362) |
| Net current assets | 56,123 | - | 56,123 | 82,464 | - | 82,464 |
| Total assets less current liabilities | 178,100 | - | 178,100 | 174,033 | - | 174,033 |
| Provisions for liabilities | - | (22,102) | (22,102) | - | (25,462) | (25,462) |
| | <u>178,100</u> | <u>(22,102)</u> | <u>155,998</u> | <u>174,033</u> | <u>(25,462)</u> | <u>148,571</u> |
| General fund | 4,593 | (22,102) | (17,509) | 12,158 | (25,462) | (13,304) |
| Designated fund | 170,757 | - | 170,757 | 143,402 | - | 143,402 |
| Restricted fund | 2,750 | - | 2,750 | 18,473 | - | 18,473 |
| Total charity funds | <u>178,100</u> | <u>(22,102)</u> | <u>155,998</u> | <u>174,033</u> | <u>(25,462)</u> | <u>148,571</u> |

Reconciliation of profit or loss for the year

| | At 31st March 2016 | | |
|------------------------|---------------------------|-------------------------|----------------------|
| | Previously stated | Effect of transition | FRS102 (restated) |
| | £ | £ | £ |
| Income | 129,578 | - | 129,578 |
| Expenditure | (133,645) | (5,005) | (138,650) |
| Net income/expenditure | (4,067) | (5,005) | (9,072) |
| Funds brought forward | 178,100 | (20,457) | 157,643 |
| Funds carried forward | <u>174,033</u> | <u>(25,462)</u> | <u>148,571</u> |