



**Community  
Transport  
Association**

**COMMUNITY TRANSPORT ASSOCIATION UK**

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 March 2011**

**Charity Number (England & Wales): 1002222**

**Charity registered in Scotland: SC038518**

**Company Number: 01985361**

# COMMUNITY TRANSPORT ASSOCIATION UK

## REFERENCE AND ADMINISTRATIVE DETAILS

For the year ended 31 March 2011

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### Directors and Trustees

All directors of the company are also trustees of the charity, there are no other trustees. Applications for trusteeship are sought by advertisement. Trustees serve for a three year period and can be re-elected for a further three year period. The board has the power to appoint additional trustees as it considers fit to do so. The trustees serving during the year and since the year end were:

Fitzroy Dawson	John McMillan (resigned 25 November 2010)
Yvonne Chappell	Dai Powell (resigned 25 November 2010)
James McCreath (resigned 10 May 2011)	Sammy Betson
Stephen Hickey	Alistair Howie
Gordon Lewis	Peter Maggs

<b>Company Secretary</b>	Katherine Moulder
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<b>Chief Executive</b>	Keith Halstead
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<b>Registered office</b>	Highbank Halton Street Hyde Cheshire SK14 2NY
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<b>Auditors</b>	Mitchell Charlesworth 5 Temple Square Temple Street Liverpool L2 5RH
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<b>Bankers</b>	The Royal Bank of Scotland plc 1 Corporation Street Hyde SK14 1AQ
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<b>Charity numbers</b>	1002222 (England & Wales) SC038518 (Scotland)
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<b>Company number</b>	01985361
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As allowed under Section 60 of the Companies Act 2006 the company is exempt from the requirement to use "limited".

# COMMUNITY TRANSPORT ASSOCIATION UK

## TRUSTEES' REPORT

For the year ended 31 March 2011

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The trustees, who are also directors of the charity for the purposes of the UK Companies Act 2006, present their annual report together with the audited financial statements for the year ended 31 March 2011.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities", issued in March 2005.

### **The Community Transport Association (CTA):**

- is a UK-wide charity providing leadership, learning and support to member organisations, which in turn deliver innovative and flexible transport solutions to achieve social change in their communities.
- represents the voice of the sector to government bodies and to other major stakeholders, highlighting the importance of community transport for vulnerable individuals and isolated communities, the contribution which community transport can make both locally and nationally, and the issues which need to be tackled if the sector's potential is to be realised.
- promotes excellence by providing a range of services and support, including advice, training, e-based resources, publications, consultancy, events and project support for voluntary, community and accessible transport.

The CTA therefore aims to strengthen the work of our members, which include voluntary and community organisations, charities, social enterprises, co-operatives and mutuals, by creating an environment in which they can prosper and deliver high quality services to the people and communities who rely on community transport for their needs.

We also wish to reach out and support other civil society organisations which may not see themselves as providing community transport, but who nevertheless operate transport to meet their own purposes.

### **The CTA's vision is:**

"A fairer society where everyone, irrespective of where they live or their individual circumstances, has the mobility and accessible transport services they need to live full and active lives."

The CTA will promote this by:

- representing the views of voluntary and community transport organisations in the UK to influence governments at all levels, and build support and investment for our sector.
- inspiring and empowering our members across the UK through leadership, learning and support and encouraging active participation to bring about change.
- working towards a transport system which embraces accessible, community-based transport services to ensure a fairer society and sustainable communities.

### **The CTA's values are:**

- **Equity:** we promote equal opportunity, social justice and inclusive communities for all, through accessibility and diversity.
- **Integrity:** our relationships are based on trust, goodwill and support. We are responsible and efficient with our resources, and transparent in all that we do.
- **Pioneering:** we support our members, staff and trustees to push the boundaries and develop new ways of working. This includes assessing opportunities, removing barriers, taking risks and adopting a more entrepreneurial style in our work.

**Engaging:** we use teamwork, co-operation and partnerships to connect with people and ensure that every encounter with the CTA is a positive one. We listen and respond to feedback, and promote quality in all that we do.

# COMMUNITY TRANSPORT ASSOCIATION UK

## TRUSTEES' REPORT

For the year ended 31 March 2011

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### Structure, governance and management

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association. The charity's objective and its principal activity continues to be the relief of age, poverty, sickness or disability by the provision of education and support to the charitable bodies or persons who supply transport to groups or individuals in need of such relief.

The charity is organised so that the trustees meet regularly to manage its affairs. There is one full time chief executive who oversees the day to day running of the charity. He is supported by 31 other staff located in the charity's offices in Hyde (Manchester), London, Belfast, Edinburgh, Rhyl and Swansea.

During the year the Board of Trustees completed its Governance Review, which commenced in 2007. This resulted in the appointment of a new Chair of Trustees at the Annual General Meeting in November 2010 and the implementation of a number of recommendations to develop the governance of the organisation. The Governance Committee continues to monitor the effectiveness of the governance and ensures recommendations from the review are maintained. In addition the board is supported by a Finance and Audit Committee which reviews the financial strategy and results of the organisation.

### Public benefit

The Association provides a wide range of advice, training, publications, events as well as direct support services throughout the United Kingdom to providers of voluntary, community and accessible transport. We also help people to set up community transport schemes and help existing organisations to learn from each other and work effectively. At the heart of CTA are its members including organisations from across civil society encompassing voluntary and community organisations, charities, social enterprises, co-operatives and mutuals as well as local authorities, consultants, manufacturers and individuals. Our free advice and information service covers all issues relating to voluntary, community and accessible transport for both members and non-members alike, thereby ensuring that the CTA's expertise is readily available to all who may require it across the UK.

The extensive range of services provided by the CTA helps many different organisations to deliver local solutions to meet specific transport needs identified in their communities. As such, our work of empowering community-based organisations and local authorities directly contributes to social regeneration. The CTA is dedicated to educate, inform and promote the role of voluntary and community transport to enable social inclusion and access, further working to influence government and others at national, regional and local level, to build support and investment for the voluntary and community transport sector. These aims are detailed more in the '*Objectives, activities and achievements in this year and plans for future periods*' section to follow.

With staff based in England, Wales, Scotland and Northern Ireland the CTA works to the public benefit of both its members and non-members who are affected by different policies, legislation and political agendas, and is recognised as the voice of voluntary and community transport across the UK.

### Investment powers

Under the memorandum and articles of association, the charity has the power to make any investments which the trustees see fit.

### Objectives, activities and achievements in this year and plans for future periods

The CTA continued to give voice and provide leadership, learning and enterprise support to member organisations across civil society who are meeting the travel and social needs of people to whom these would otherwise be denied, providing accessible and affordable transport to achieve social inclusion.

The CTA promotes excellence through providing training, e-based resources and publications; advice, events and project support on voluntary, community and accessible transport.

# COMMUNITY TRANSPORT ASSOCIATION UK

## TRUSTEES' REPORT

For the year ended 31 March 2011

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### Objectives, activities and achievements in this year and plans for future periods [Continued]

The year 2010/11 saw the last year of our strategic plan that was launched in June 2006 (available from our registered office and website). Within the plan there are five strategic directions and each has a number of priorities (objectives). The strategic directions are:

- Social Change - ensuring inclusion through mobility
- Empowerment - of our members
- Enterprise - to adopt a stronger business focus
- Learning - to further develop the CTA as a centre of excellence
- Effectiveness - improving our own internal organisation.

The trustees identified a series of priorities for delivery by staff during 2010/11. These are summarised below, along with the progress made against each priority. Additional achievements in each area are also provided.

A new three year strategic plan for the CTA has been produced for 2011/12 - 2013/14, as a result of trustee, staff and external stakeholder engagement. A summary of this strategic plan is also provided below but the full publication can be obtained from our registered office and website ([www.ctauk.org](http://www.ctauk.org)).

#### 1. Social change: *ensuring inclusion through mobility*

##### Last year's aims included:

- Engage with the new coalition government.

*Achieved: Met with Transport Minister, Norman Baker, on a number of occasions to promote community transport. Agreed new four year funding programme with Department for Transport. Increased engagement with Defra to consider rural transport policy development.*

- Produce a second State of the Sector report in England.

*Achieved: The 2010 State of the Sector report for England built on that of 2009 by engaging directly with over 1,700 community transport operators. The final report was published in December 2010 and gave a powerful picture of the impact of the sector.*

- Prepare for the May 2011 elections in Scotland and Wales.

*Achieved: Engaged with political parties in both countries to promote the need for policies which would support the development of community transport. Succeeded in securing commitments to community transport in a number of the parties manifestos. Supported members in engaging locally with prospective candidates.*

- Produce a first State of the Sector report in Northern Ireland, Scotland and Wales.

*Partly achieved: Reports published for Wales during 2010. Detailed research was commenced during the year into the scale and impact of the community transport sector in Northern Ireland. The final report will be published in July 2011. Scotland to be delivered in early 2012.*

- Support our members in England to respond to the "personalisation" of social care budgets.

*Partly achieved: Opportunities for members to discuss through health transport sessions at Access11 event in March 2011. This will be further developed in 2011/12.*

- Support our members in responding to the divergence of government agendas in different parts of the UK.

*Achieved: Ensured the Association is fully aware of the agendas in different countries with country reports to trustees and management meetings. Supported members through country committees, country bulletins and by providing increased engagement and networking opportunities at country conferences.*

# COMMUNITY TRANSPORT ASSOCIATION UK

## TRUSTEES' REPORT

For the year ended 31 March 2011

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### Objectives, activities and achievements in this year and plans for future periods (Continued)

- Re-engage with the government and work with other volunteer-involving organisations to increase the HMRC Approved Mileage Allowance Payment (AMAP) from 40p to the group rate of 45p for all voluntary community car schemes.

*Achieved: We worked with national partner organisations to promote the case for an increase in the AMAP payable to volunteer drivers. Changes announced in the Budget in March 2011 finally realised the changes we were seeking.*

### And this year we also:

- Contributed to the development of a new Code of Practice for Wheelchair Passport Schemes launched by the British Standards Institute.
- Launched a campaign to support a Private Member's Bill in Parliament. This Bill required all public authorities to include the impact on social enterprise and social value of awarding any contracts. The campaign was successful and the concept is likely to be adopted as Government policy in the near future.
- Continued to monitor and contribute to Government discussions on Bus Service Operators Grant, travel training and bus fares for young people.
- Engaged with the Department for Transport to invest in rural community transport which resulted in the government announcing a £10m boost for community transport with 76 rural local authorities in England, plus consultancy support from the CTA, and the issue of new guidance to all local authorities on community transport.
- Worked with the Department for Communities and Local Government to provide support and advice in the Big Society Vanguard in Eden Valley, Cumbria.
- Submitted evidence to the Transport Select Committee's Inquiry into Bus Services following the Comprehensive Spending Review.
- Responded to 10 government consultations which would impact on community transport in some way.

### 2. Empowerment: *of our members*

#### Last year's aims included:

- Introduce a new CTA Quality Mark.

*Partly Achieved: Level 1 of the CTA Quality Mark is available to all CTA members. We are awaiting the confirmation that we will receive endorsement from various bodies at which point the Level 2 can then be progressed.*

- Further develop our membership programme.

*Achieved: Reviewed and updated our membership programme including the formation of a number of new member categories. We improved our insurance and vehicle purchase and leasing schemes.*

- Continue to promote opportunities for members to develop public services under Section 22 community bus permits.

*Achieved: A significant focus of the work we have completed during this period has been to publicise the effectiveness of the S22 permit regime. We will continue to promote this opportunity to members and transport authorities.*

# COMMUNITY TRANSPORT ASSOCIATION UK

## TRUSTEES' REPORT

For the year ended 31 March 2011

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### Objectives, activities and achievements in this year and plans for future periods (Continued)

- Further develop our member engagement programme.

*Achieved: In addition to the Access 11 event we organized national conferences in Northern Ireland, Scotland and Wales as well as a policy conference for England. We also ran a series of roadshows in England and continued to meet with members in each country of the UK at committee meetings and local network forums.*

#### And this year we also:

- Supported 1,416 membership organisations.
- Arranged a legal seminar in London for our members with Bates Wells & Braithwaite London LLP.
- Held successful member conferences in England, Northern Ireland, Scotland and Wales.

### 3. Enterprise: to adopt a stronger business focus

#### Last year's aims included:

- Continue to develop our Rural Social Enterprise Programme in England.

*Achieved: The programme has continued successfully, with all eight organisations receiving their loan funding and initial grant funding during the year. New Business Development Managers have been recruited in each of the organisations as they start to work towards a social enterprise business model.*

- Review the work of CTA Consultancy.

*Achieved: There has been an increased focus on the work of CTA Consultancy by the Board of Trustees during the year, and an action plan formed to further develop the range of consultancy products we can offer and focus on the most appropriate clients to work with.*

#### And this year we also:

- Provided enterprise support to 25 community transport organisations in Scotland through funding we received from the Scottish Government's Third Sector Enterprise Fund.
- Delivered business planning support to 9 community transport organisations through CTA Consultancy.

### 4. Learning: to further develop the CTA as a centre of excellence

#### Last year's aims included:

- Complete the strategic review of our training programmes and develop a forward plan

*Partly Achieved: Some work has been completed but implementation of recommendations will take place later in 2011.*

- Further develop our online advice and information provision

*Partly Achieved: Some additional resources are available; however we plan to develop more during 2011.*

- Review the future of our annual UK-wide event for members

*Achieved: We reviewed our member engagement at a national level and responded to demand by moving to delivery of an increased range of local, regional and country events rather than a single national event. We celebrated our Access 11 event as the last major UK wide event and exhibition.*

# COMMUNITY TRANSPORT ASSOCIATION UK

## TRUSTEES' REPORT

For the year ended 31 March 2011

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Objectives, activities and achievements in this year and plans for future periods [Continued]

And this year we also:

- Met with the Chief Executive of the Vehicle and Operator Services Agency (VOSA) and the Senior Traffic Commissioner and further developed our engagement with each through more regular contact via attendance of traffic commissioners at our members conferences and membership of VOSA's CEO Trade Associations and Technical Groups.
- Issued 1,126 small bus (Section 19) permits to member organisations under our power as a designated body in accordance with the Section 19 of the Transport Act 1985.
- Issued 89 Section 10b permits to members in Northern Ireland.
- Processed 555 Criminal Records Bureau checks for our members in England and 201 AccessNI enhanced checks for members in Northern Ireland.
- Handled over 25,000 advice enquires by telephone, email or via our website.
- Continued to offer a suite of MiDAS training programmes to improve road passenger safety. At the end of the year under review, an estimated 5,026 organisations were members of MiDAS and 76,247 drivers held a current MiDAS certificate for their completion of training and an assessment of their competence.
- Introduced a new driver and passenger assistant's handbook for the MiDAS suite of training and assessment programmes.
- Organised Access11 at Manchester Central which received over 500 attendees.
- Organised the Annual CTA Awards Dinner at the Hilton Hotel, Manchester attended over 200 guests.

### 5. Effectiveness: *improving our own internal organisation*

Last year's aims included:

- Complete the final phase of our governance review by the time of our AGM on 25 November 2010

*Achieved: Governance review was completed and changes implemented by the AGM. A new Board of Trustees including 3 co-opted trustees are in place and the governance of the organisation is functioning well.*

- Launch our new Strategic Plan for 2011/14 at Access11 in March 2011

*Achieved: The new plan was launched on target after consultation with stakeholders including staff, members and key funders.*

- Complete a review of our Information and Communications Technology (ICT) arrangements and develop a plan for investment

*Partly achieved: ICT action plan in place and good progress made in database developments. Plan for investment is still in progress, to be developed further in 2011 once more detailed technical specifications have been completed.*

- Develop our scenario planning to respond to reductions in available public funding

*Not achieved: Longer term financial planning still to be developed. Key decisions were made in year however to help protect the organisation from fluctuations in funding.*

# COMMUNITY TRANSPORT ASSOCIATION UK

## TRUSTEES' REPORT

For the year ended 31 March 2011

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### Objectives, activities and achievements in this year and plans for future periods (Continued)

- Produce a new HR strategy for the CTA and retain our Investor in People status

*Not achieved: this was deferred until 2011, although new financial standing orders were introduced and various internal policies revised.*

- Plan for our 25<sup>th</sup> anniversary in 2011.

*Achieved: Our 25<sup>th</sup> anniversary was promoted and celebrated through our various events and publications throughout the year.*

### And this year we also:

- Relocated our Scotland and London offices to reduce costs and locate ourselves alongside key partnership organisations.
- Restructured our central administrative team at our Central Office.
- Appointed Sue Thomas, Head of Advice & Standards at Citizens Advice, as an external member of our Governance Committee.

Our Annual Review for 2010/11 containing further details of our work across the UK during the period will be available from November 2011 on our website at [www.ctauk.org](http://www.ctauk.org).

### CTA UK strategic plan: 2011/12 – 2013/14

The five broad strategic directions below, and the high-level supporting actions which flow from them, will guide our work across the UK over the next three years.

The CTA fully recognises devolution and the different policies and approaches adopted by governments in England, Northern Ireland, Scotland and Wales. To reflect this diversity, we will produce separate, more detailed annual business plans for each country. A CTA-wide annual business plan will set out specific activities which we wish to carry out across all four countries, such as membership engagement. These plans will be revised each year and our progress against these plans will be reviewed in the annual Trustee's Report.

Our five strategic directions are as follows:

#### 1. Support and work with our members

At the heart of the CTA are our members. Our primary purpose is to support them by creating an environment in which they can develop and prosper, ensuring that we continue to offer the direct support and help that they require.

#### 2. Provide a national voice

We aim to provide a national voice for our members, the wider voluntary and community transport sector, and for the individuals and communities our members serve.

We will ensure that all four governments understand the contribution community transport makes towards meeting the needs of disadvantaged people and how an inclusive transport system, which provides choice and access to the services that people require, can help achieve broader economic and social goals.

#### 3. Connect locally

Recognising the trend towards local decision-making and funding, we will encourage our members to actively engage with their local transport authorities. We will promote local networking and mutual support and facilitate strategic opportunities and initiatives in particular areas or communities.

# COMMUNITY TRANSPORT ASSOCIATION UK

## TRUSTEES' REPORT

For the year ended 31 March 2011

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### Objectives, activities and achievements in this year and plans for future periods [Continued]

#### 4. Promote high standards

We will promote high standards across our sector and help our members to demonstrate the quality and impact of their services. We will promote smarter procurement and better commissioning to enable better use of our members' transport resources, for example, by health and education providers, which will benefit society as a whole.

#### 5. Ensure an effective UK-wide association

We will continually improve the CTA's own internal organisation, efficiency and effectiveness. In challenging times, we must respond to the changing needs of our members, promote the sector vigorously, and secure the CTA's own financing and sustainability.

### The CTA in Scotland

The CTA is a charity registered in Scotland. Its work during the year was supported by the Scottish Government Third Sector Enterprise Fund and the Big Lottery Fund. Scottish Government support enabled CTA to provide dedicated time to community transport operators wishing to develop their enterprise activities such as tendering for contracts or developing services under Section 22 permits. Big Lottery Funding supported its work in strengthening the Scottish community transport network. Though reduced public finance continues to have an adverse effect on the sector some operators experienced substantial growth through securing contracts. The changes to Section 22 regulations in 2009 offer a way forward for many groups and during the year CTA helped over 20 operators to secure the permit and plan new services.

### Tangible fixed assets for use by the charity

Details of movements in fixed assets are set out in note 13 of the financial statements.

### Funds available

The present level of funding is adequate to support the contribution of the services now in operation, and the trustees consider the financial position of the charity to be satisfactory in the light of further funding now received. The trustees are actively reviewing funding projections for the years ahead to ensure the organisation makes any required changes in a proactive manner should significant funding reductions be experienced.

### Related party transactions

The charity did not enter into any related party transactions during the year, except those where the related party utilised the services of the charity as a member of a wider group. In these cases, the related party transaction was on the same term as those offered to other members of the group.

### Financial review

Incoming resources decreased in the year totalling £1.75m (2010 £1.9m). This was a similar level to that achieved in 2009. Outgoing resources similarly decreased in line with expenditure to £1.7m and a surplus of £0.05m was delivered.

### Reserves policy statement

The trustees have adopted a reserves policy, the objective of which is to protect the CTA and its charitable activities by ensuring adequate liquidity while the organisation adjusts to changes in the financial and operating environment in the immediate short term. At the same time the trustees want to ensure reserves are not too high in order to maximise the resources applied to the CTA's charitable purpose. The policy establishes an appropriate target range for the level of reserve which for 2010/11 has been established as £250,000 to £270,000, and for 2011/12 as £240,000 to £260,000. The level for 2011/12 is slightly reduced due to reduced operating costs expected in 2011/12. In addition, the policy establishes a designated reserve of £50,000 to support the Information and Communications Technology (ICT) development project over the next 3 years.

# COMMUNITY TRANSPORT ASSOCIATION UK

## TRUSTEES' REPORT

For the year ended 31 March 2011

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### Investment policy

Investment income relates to bank interest received from balances held on the deposit account. In view of the level of average deposits it is not considered to be material to the charity's objectives.

The charity's objectives are maintained mainly through grants and charitable trading income. Priority is given to the charity's need to maintain predefined levels of annual cash flow to cover spending requirements incorporated in the latest business plan.

The activities of the charitable trading company are to provide a growing income, with moderate risk, to assist the charity to achieve its charitable objectives.

### Risk management

The trustees have introduced a process to identify and actively review the risks that the charity faces in four key areas: strategic, operational, compliance and environmental. All identified risks are assessed for both likelihood of occurrence and potential impact. The financial implications of each risk identified as Red category are then considered and mitigation measures for all risks are put in place. This information forms a risk management strategy for the organisation, including the identification of existing controls in operation and any new controls the trustees deem necessary. The risk management schedule is reviewed on a quarterly basis by the trustees.

### CTA Trading Limited

The charity's wholly-owned subsidiary carries out non-charitable trading activities for the charity. During the year the company transferred gift aid of £2,332 (2010: 66,748). The significant reduction is primarily due to the change in the size and scale of the Annual Event to mitigate risk of financial losses as a result of changing economic circumstances of both our members and exhibitors.

The directors of the subsidiary are also directors of the charity with the exception of Keith Halstead, who is Chief Executive of the charity.

It was agreed by the Board that James McCreath as a trustee and director of CTA, would not act as a director of CTA Trading Limited in order that he can represent the interests of the charity. In light of Mr McCreath's resignation in May 2011, an alternative charity trustee will be identified to not act as a director of CTA Trading Limited.

### Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records which 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# COMMUNITY TRANSPORT ASSOCIATION UK

## TRUSTEES' REPORT

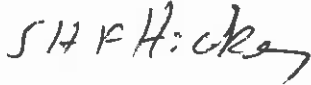
For the year ended 31 March 2011

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### Statement of trustees' responsibilities [Continued]

The trustees also confirm that they have made all necessary enquires and taken such steps that they ought to, to ensure that they become aware of any relevant audit information and that they confirm that the charitable company's auditors have been made aware of such information.

Approved by the Board of Trustees and signed on its behalf



Stephen Hickey  
(Chair)

29th September 2011

# Mitchell Charlesworth

## Chartered Accountants

5 Temple Square . Temple Street . Liverpool . L2 5RH

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF

### COMMUNITY TRANSPORT ASSOCIATION UK

Year ended 31 March 2011

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We have audited the accounts of Community Transport Association UK for the year ended 31st March 2011 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### Respective responsibilities of the Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the affairs of the charitable company and the group as at 31st March 2011, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the accounts are prepared is consistent with the accounts.

# Mitchell Charlesworth

Chartered Accountants

5 Temple Square . Temple Street . Liverpool . L2 5RH

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY TRANSPORT ASSOCIATION UK

Year ended 31 March 2011

[Continued]

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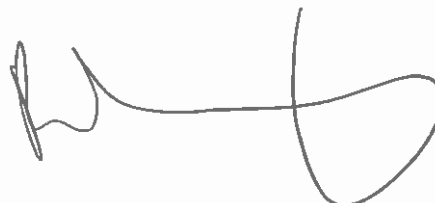
### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mitchell Charlesworth is eligible to act as auditors in terms of Section 1212 of the Companies Act 2006.

**Mr. P. N. WAINWRIGHT**  
Senior Statutory Auditor



**On behalf of Mitchell Charlesworth**  
Statutory Auditors

**29 September 2011**

# COMMUNITY TRANSPORT ASSOCIATION UK

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)

For the year ended 31 March 2011

		Unrestricted Funds £	Restricted Funds £	Total funds Year to 31 March 2011 £	Total funds Year to 31 March 2010 £
<b>Income resources</b>	<b>Notes</b>				
<b>Incoming resources from generated funds:</b>					
Voluntary income	2	15,000	-	15,000	18,900
<b>Activities for generating funds:</b>					
Other activities	3	236,853	-	236,853	339,486
Investment income	4	576	-	576	328
<b>Incoming resources from charitable activities:</b>					
Education and support services	5	<u>481,173</u>	<u>1,011,370</u>	<u>1,492,543</u>	<u>1,564,552</u>
<b>Total incoming resources</b>		<u>733,602</u>	<u>1,011,370</u>	<u>1,744,972</u>	<u>1,923,266</u>
<b>Resources expended</b>					
<b>Costs of activities in furtherance of the charity's objectives</b>					
Cost of generating funds	6	234,520	-	234,520	272,738
<b>Charitable activities:</b>					
Education and support services	7	450,292	1,002,492	1,452,784	1,509,969
Governance costs	8	<u>6,150</u>	<u>-</u>	<u>6,150</u>	<u>24,094</u>
<b>Total resources expended</b>	9	<u>690,962</u>	<u>1,002,492</u>	<u>1,693,454</u>	<u>1,806,801</u>
<b>Net incoming resources</b>		42,640	8,878	51,518	116,465
<b>Total funds brought forward</b>		<u>220,939</u>	<u>14,479</u>	<u>235,418</u>	<u>118,953</u>
<b>Total funds carried forward</b>		<u>263,579</u>	<u>23,357</u>	<u>286,936</u>	<u>235,418</u>

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 16 to 23 form part of these financial statements

# COMMUNITY TRANSPORT ASSOCIATION UK

## CONSOLIDATED AND CHARITY BALANCE SHEETS

At 31 March 2011

	Notes	Group		Charity	
		2011 £	2010 £	2011 £	2010 £
<b>Fixed assets</b>					
Tangible assets	13	60,682	66,453	60,682	66,453
Investment	14	-	-	100	100
		<u>60,682</u>	<u>66,453</u>	<u>60,782</u>	<u>66,553</u>
<b>Current assets</b>					
Stocks	15	91,416	54,999	91,416	54,999
Debtors and prepayment	16	475,768	248,089	436,603	224,089
Cash at bank and in hand		<u>518,520</u>	<u>237,543</u>	<u>497,634</u>	<u>239,609</u>
		1,085,703	540,631	1,025,653	518,697
<b>Creditors: amounts falling due within one year</b>	17	<u>(859,449)</u>	<u>(371,666)</u>	<u>(799,399)</u>	<u>(349,732)</u>
<b>Net current assets</b>		<u>226,254</u>	<u>168,965</u>	<u>226,254</u>	<u>168,965</u>
<b>Net assets</b>		<u>286,936</u>	<u>235,418</u>	<u>287,036</u>	<u>235,518</u>
<b>Funds</b>					
<b>Unrestricted funds</b>	19				
Designated reserve		50,000	-	50,000	-
General reserve		213,579	220,939	213,679	221,039
<b>Restricted funds</b>	19	<u>23,357</u>	<u>14,479</u>	<u>23,357</u>	<u>14,479</u>
<b>Total funds</b>		<u>286,936</u>	<u>235,418</u>	<u>287,036</u>	<u>235,518</u>

The financial statements were approved and authorised for issue by the board of trustees on 29th September 2011 and were signed below on its behalf:



Gordon Lewis  
(Trustee)

Company registration number: 01985361

The notes on pages 16 to 23 form part of these financial statements

# COMMUNITY TRANSPORT ASSOCIATION UK

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

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### 1. Accounting policies

#### Basis of accounting

The financial statements are prepared under the historical cost basis, as modified by the revaluation of fixed asset investments, in accordance with the Statement of Recommended Practice "Accounting by Charities" (SORP 2005) issued March 2005, and with applicable Accounting Standards.

#### Consolidation

The consolidated accounts, which have been prepared in accordance with applicable Accounting Standards, incorporate the accounts of Community Transport Association UK and CTA Trading Limited.

#### Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised) from including a cash flow statement in the accounts on the grounds that the charity is small.

#### Legal status of the charity

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.

#### Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity and which have been designated for other purposes.

Restricted funds are funds which are used in accordance with specific restrictions imposed by donors.

#### Incoming resources

All incoming resources are included in the Statement Of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Where cash is received in respect of a future period, the amounts are reflected within deferred income.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

#### 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. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Premises overheads have been allocated on a floor area basis and other overheads have been allocated on the basis of the head count.

#### Tangible fixed assets and depreciation

Tangible fixed assets costing more than £100 are capitalised at cost.

Depreciation is provided on the cost of the tangible fixed assets at rates calculated to write off their cost, less residual value, on a straight line basis over their expected life-span as follows:

Computer equipment	- over 4 years
Fixtures and fittings	
Other equipment	- over 10 years
Building improvements	- over the period of the lease

# COMMUNITY TRANSPORT ASSOCIATION UK

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

### 1. Accounting policies (Continued)

#### Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their depreciated value. The capital element of the future payments is treated as a liability and the interest element is charged to the Statement of Financial Activities over the period of the agreement at a constant rate of charge on the balance of the capital repayment outstanding.

#### Stock

Stock consists of purchased goods for resale. Stock is valued at the lower of cost and net realisable value.

#### Pension costs

The charity operates a defined contributions scheme. Contributions are charged to the SOFA as they become due and are managed by a third party.

#### Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### Value Added Tax

The Charity is registered for VAT. Income and expenditure is shown excluding VAT except to the extent that VAT is not recoverable.

2.	<b>Voluntary income</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Sponsorship	15,000	18,900
	Legacies	—	—
		<u>15,000</u>	<u>18,900</u>
3.	<b>Activities for generating funds</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	<b>Other activities</b>		
	Magazines, advertising and publications	91,667	96,050
	Annual Exhibition	130,061	226,997
	Insurance Scheme Commission	15,125	16,278
	Other Income	<u>—</u>	<u>161</u>
		<u>236,853</u>	<u>339,486</u>
4.	<b>Investment income</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Bank interest receivable	<u>576</u>	<u>328</u>

# COMMUNITY TRANSPORT ASSOCIATION UK

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

<b>5.</b>	<b>Incoming resources from charitable activities</b>			<b>2011</b>	<b>2010</b>
				<b>£</b>	<b>£</b>
	<b>Education and support services</b>				
	Department for Transport Grant			192,858	177,094
	Scottish Government Grant			27,600	20,900
	Department for Regional Development (Northern Ireland) Grant			226,993	230,626
	Welsh Assembly Government Grant			300,502	337,489
	Bridge House Estates Trust Fund Grant			37,500	60,000
	Blue Badge (Department for Transport) Grant			65,400	58,523
	Big Lottery Fund (Scotland) Grant			93,285	90,980
	Rural and Social Enterprise Programme (including £30,341 received from Esmee Fairburn Foundation)			67,232	47,133
	Training MiDAS and PATs			259,201	332,633
	Membership and other services			106,313	105,075
	Contract / Consultancy			106,577	100,849
	Other			<u>9,082</u>	<u>3,250</u>
				<u>1,492,543</u>	<u>1,564,552</u>
<b>6.</b>	<b>Cost of generating funds</b>	<b>Staff costs</b>	<b>Other</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Magazines, advertising and publications	34,037	55,155	89,191	71,146
	Annual Exhibition	<u>34,037</u>	<u>111,292</u>	<u>145,329</u>	<u>201,592</u>
		<u>68,074</u>	<u>166,447</u>	<u>234,520</u>	<u>272,738</u>
<b>7.</b>	<b>Charitable activities</b>			<b>2011</b>	<b>2010</b>
				<b>£</b>	<b>£</b>
	<b>Education and support services</b>				
	Department for Transport Grant			192,858	177,094
	Scottish Government Grant			27,600	16,845
	Department for Regional Development (Northern Ireland) Grant			217,072	232,841
	Welsh Assembly Government Grant			300,502	337,489
	Bridge House Estates Trust Fund Grant			37,500	60,000
	Blue Badge (Department for Transport) Grant			65,400	58,523
	Big Lottery Fund (Scotland) Grant			94,383	93,221
	Rural and Social Enterprise Programme			67,177	47,133
	Training MiDAS and PATs			198,182	273,686
	Membership and other services			98,882	73,264
	Contract / Consultancy			<u>153,228</u>	<u>139,873</u>
				<u>1,452,784</u>	<u>1,509,969</u>

# COMMUNITY TRANSPORT ASSOCIATION UK

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

8. Governance costs	2011 £	2010 £
Governance review	-	17,794
Audit and accountancy	<u>6,150</u>	<u>6,300</u>
	<u>6,150</u>	<u>24,094</u>

9. Resources expended	2011 £	2010 £
<b>Resources expended include:</b>		
Auditors' remuneration	6,150	6,300
Depreciation	27,171	47,322
Interest paid	-	-
Operating lease rentals - equipment	-	4,270
Staff costs	<u>971,483</u>	<u>998,950</u>

### 10. Trustees' remuneration and expenses

The trustees neither received nor waived any emoluments during the year (2010: £Nil).

The trustees received the sum of £1,561 (2010: £2,136) for out of pocket expenses.

11. Staff costs	2011 £	2010 £
Salaries	847,571	882,922
Pension costs	41,045	37,808
Social security costs	<u>82,867</u>	<u>78,220</u>
	<u>971,483</u>	<u>998,950</u>

One employee earned over £60,000 per annum (2010: £60,000).

The average number of employees, calculated on a full time basis, analysed by function was:

	Number	Number
Charitable activities	26	23
Marketing and commercial	2	3
Management and administration of the charity	<u>4</u>	<u>4</u>

### 12. Taxation

The company is exempt from corporation tax on its charitable activities.

# COMMUNITY TRANSPORT ASSOCIATION UK

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

13. Tangible Fixed Assets	Computer Equipment £	Fixtures & Fittings £	Total £
<b>Cost</b>			
At 1 April 2010	109,717	120,500	230,217
Additions	23,690	-	23,690
Assets written off	-	(4,358)	(4,358)
At 31 March 2011	133,407	116,142	249,549
<b>Depreciation</b>			
At 1 April 2010	78,594	85,170	163,764
Charge for the year	16,384	10,787	27,171
Depreciation assets written off	-	(2,068)	(2,068)
At 31 March 2011	94,978	93,889	188,867
<b>Net book value</b>			
At 31 March 2011	38,429	22,253	60,682
At 31 March 2010	31,123	35,330	66,453

Capital expenditure contracted for, but not provided for in the financial statements, was £Nil (2010: £Nil).

### 14. Investment

The charity's investment of £100 relates to the 100% holding in its wholly-owned subsidiary, CTA Trading Limited. CTA Trading Limited has donated all its profits to the charity by gift aid. CTA Trading Limited holds an annual exhibition, publishes the CTA Journal and sells publications.

A summary of the trading results is shown below:

	2011 £	2010 £
<b>Summary Profit and Loss Account</b>		
Turnover	236,853	339,486
Cost of sales and overheads	(234,521)	(272,738)
<b>Net profit</b>	2,332	66,748
Amount transferred to charity	(2,332)	(66,748)
<b>Retained in the subsidiary</b>	-	-

The total amount transferred to the charity by way of gift aid in the year is £2,332 (2010: £66,748). The charity recharged salary expenses in the year of £68,073 (2010: £56,186). As at 31 March 2011 amounts owed by the subsidiary amounted to £5,669 (2010: £35,127).

# COMMUNITY TRANSPORT ASSOCIATION UK

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

<b>14.</b>	<b>Investment (Continued)</b>				
	The assets and liabilities of the subsidiary were:			2011	2010
				£	£
	Current assets			65,718	59,712
	Creditors: amounts falling due within one year			(65,618)	(59,612)
	<b>Total net assets</b>			100	100
				=====	=====
	Aggregate share capital and reserves			100	100
				=====	=====
<b>15.</b>	<b>Stock</b>	<b>Group</b>			<b>Charity</b>
				2011	2010
				£	£
	Purchased goods for resale			91,416	54,999
				=====	=====
<b>16.</b>	<b>Debtors and prepayments</b>	<b>Group</b>			<b>Charity</b>
				2011	2010
				£	£
	Amounts owed by subsidiary undertaking			-	-
	Trade debtors			432,031	200,673
	Prepayments			43,737	47,416
				=====	=====
				475,768	248,089
				=====	=====
<b>17.</b>	<b>Creditors: amounts falling due within one year</b>	<b>Group</b>			<b>Charity</b>
				2011	2010
				£	£
	Trade creditors			134,259	73,222
	Other taxation and social security			40,057	39,002
	Accruals			32,381	98,515
	Deferred income			349,472	144,564
	Sundry creditors			303,280	16,363
				=====	=====
				859,449	371,666
				=====	=====
<b>18.</b>	<b>Bank facilities</b>				

The bank facilities of £50,000 are secured by a fixed charge over the charity's book and other debts and by a fixed and floating charge over all property and assets, of its wholly owned subsidiary CTA Trading Limited, present/future; in favour of The Royal Bank of Scotland.

# COMMUNITY TRANSPORT ASSOCIATION UK

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

19. Statement of funds movement (Group and Charity)	1 April 2010 £	Income £	Outgoing £	31 March 2011 £
Unrestricted reserve	220,939	733,602	690,962	263,579

Of this £50,000 has been designated to support the Information and Communication Technology (ICT) development project over the next three years.

Restricted funds	1 April 2010 £	Income £	Outgoing £	31 March 2011 £
Department for Transport	-	192,858	192,858	-
Scottish Government	-	27,600	27,600	-
Department for Regional Development - NI	-	226,993	217,072	9,921
Welsh Assembly Government	-	300,502	300,502	-
Bridge House Estates Trust Fund	-	37,500	37,500	-
Department of Transport - Blue Badge	-	65,400	65,400	-
Big Lottery Fund (Scotland) Rural & Social	14,479	93,285	94,383	13,381
Enterprise Programme	-	67,232	67,177	55
	14,479	1,011,370	1,002,492	23,357

The restricted funds are grants awarded by the organisations listed above to support charitable bodies or persons who supply transport to groups or individuals in need of mobility which would otherwise be denied. The balances outstanding at the year end relate to either expenditure committed or grants under spent which is to be returned to the awarding body.

20. Analysis of group net assets between funds	General Reserve £	Restricted Funds £	Total £
Tangible fixed assets	60,682	-	60,682
Net assets	202,897	23,357	226,254
	263,579	23,357	286,936

### 21. Commitments under operating leases (Group and Charity)

As at 31 March 2011 the charity had annual commitments under non-cancellable operating leases as set out below:

	Land & Buildings		Other assets	
	31 March 2011 £	31 March 2010 £	31 March 2011 £	31 March 2010 £
<b>Operating leases which expire:</b>				
Within 1 year	-	28,925	2,654	2,279
Within 2 - 5 years	-	-	3,606	2,654

# COMMUNITY TRANSPORT ASSOCIATION UK

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2011

22.	Analysis of income received	Group		Charity	
		2011	2010	2011	2010
		£	£	£	£
	<b>Central and local government grants</b>				
	Department for Transport	192,858	177,094	192,858	177,094
	Scottish Government	27,600	14,000	27,600	14,000
	Department for Regional Development - NI	226,993	230,626	226,993	230,626
	Welsh Assembly Government	300,502	337,489	300,502	337,489
	Bridge House Estates Trust Fund	37,500	60,000	37,500	60,000
	Rural & Social Enterprise Programme	65,400	47,133	65,400	47,133
	Department of Transport - Blue Badge	93,285	58,523	93,285	58,523
	Big Lottery Fund (Scotland)	<u>67,232</u>	<u>97,880</u>	<u>67,232</u>	<u>97,880</u>
		1,011,370	1,022,745	1,011,370	1,022,745
	<b>Other income</b>				
	Training, MiDAS and PATS	259,201	332,633	262,902	332,633
	Membership and other	106,313	105,072	106,313	105,072
	Annual event	130,061	226,996	-	-
	Gift Aid	-	-	2,332	66,748
	Donations/other	24,082	22,642	20,382	22,482
	Subscriptions and publications	58,762	66,627	-	-
	Contracts	106,577	100,849	106,577	100,849
	Advertisements	32,905	29,424	-	-
	Insurance and Vehicle Purchase Scheme	<u>15,125</u>	<u>16,278</u>	-	-
		733,026	900,521	498,506	627,784

### 23. Company limited by guarantee

The company is limited by guarantee and has no share capital. On winding up each member will contribute £1.

### 24. Capital commitments

There are no capital commitments as at 31 March 2011 (2010: £Nil).