

Charity Registration No. NIC 100006

Company Registration No. NI054558 (Northern Ireland)

LAGAN VALLEY RURAL TRANSPORT

**ANNUAL REPORT AND FINANCIAL STATEMENTS
(CHARITABLE COMPANY LIMITED BY GUARANTEE)**

FOR THE YEAR ENDED 31 MARCH 2023

LAGAN VALLEY RURAL TRANSPORT

CONTENTS

| | Page |
|--|-------------|
| Charity reference and administrative information | 1 |
| Trustees' report | 2 - 4 |
| Independent auditor's report | 5 - 8 |
| Statement of financial activities | 9 |
| Balance sheet | 10 |
| Notes to the financial statements | 11 - 24 |

LAGAN VALLEY RURAL TRANSPORT

CHARITY REFERENCE AND ADMINISTRATIVE INFORMATION

| | | |
|--|---|--|
| Trustees | Mr J E McQuillan Mr M O'Neill Mrs J Irvine Mrs C Preston Mr R Harvey | (Appointed 10 November 2022) (Appointed 31 October 2022) (Appointed 31 October 2022) |
| Senior Management Team | Mrs T McMillan | |
| Charity number | NIC 100006 | |
| Company number | NI054558 | |
| Registered with The Charity Commission for Northern Ireland | NIC100006 | |
| Registered office | Units 1-6 PRM Complex Rathdown Road Moira Road Lisburn BT28 2RE | |
| Auditor | Johnston Kennedy DFK Chartered Accountants Ground Floor Block A, The Sidings Antrim Road Lisburn BT28 3AJ | |
| Bankers | AIB (NI) 34 - 36 Market Square Lisburn Co. Antrim BT28 1AG | |
| Solicitors | Mildred Breakey 52 Bachelors Walk Lisburn Co. Antrim BT28 1XN | |

LAGAN VALLEY RURAL TRANSPORT

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors for the purposes of company law, present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity exists to provide rural transportation services.

The charity aims to provide transport facilities in Lisburn and its environs, for the people who have special need of such facilities, because they are elderly, poor or disabled, people with small children of those living in isolated areas where there are no adequate transport facilities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Public benefit

In line with its stated aims and objectives, as noted above, the trustees are confident that the charity is undertaking activities which provide public benefit to those who avail of its services.

Achievements and performance

Funding has been received from various bodies throughout the period to facilitate the provision of services.

The charity's principal funders are:

1. Department for Infrastructure
2. Disability Action
3. Lisburn & Castlereagh City Council

The financial statements reflect a successful year, generating a small surplus, which has been credited to reserves. The trustees are satisfied with the charity's results and will continue to capitalise on their current activities for the foreseeable future.

The trustees are satisfied that all grants, including the grants provided by the Department for Infrastructure through the Rural Transport Fund and Assisted Rural Transport Scheme, have been used solely for the purposes intended and in accordance with each of the terms and conditions of the grants.

During the financial year, the charity made 2,240 individual passenger trips under the DfI Rural Dial a Lift Scheme, covering a total of 27,009 miles. Of these trips, 65% were made by passengers going shopping or social visiting, therefore having a major impact on their wellbeing, while also reducing social isolation. 13% of the journeys were used for Health, 1% of the journeys were used for Social Welfare, 2% of the journeys were used for Training and Employment, while 7% were used for Day Opportunities. The operational area for the scheme is the entire Rural Lagan Valley area, stretching Dundrod, Stoneyford, Moira, Dromore, Hillsborough, Annahilt, Carryduff and into Moneyreagh. Our Group Hire completed 886 passenger trips, 85% of which were for Recreational and social activities. Furthermore, the charity made just over 2,450 trips under the Disability Action Transport Scheme (DATS). Of these trips, 28% were for Shopping or Social visits, 13% for Training and Employment, 10% for Health and 35% for Day Opportunities. The operational area for DATS covers Lisburn and Dunmurry, along with Dundonald, Comber and Downpatrick.

Use of volunteers

The charity utilises the services of volunteers. The trustees acknowledge that all volunteers contribute to the success of the charity's activities.

LAGAN VALLEY RURAL TRANSPORT

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The results for the year are set out on pages 9 to 24. The charity generated a net unrestricted surplus for the year of £5,338 (2022: net unrestricted surplus of £2,022). The level of free reserves at 31 March 2023 amounted to £215,281 (2022: £209,943).

The trustees have developed a reserves policy in order to protect the company against unforeseen circumstances. This policy states that the company will seek to build sufficient financial reserves to provide for six months activities in order that the charity's ability to deliver services and develop the charity in the manner planned can be achieved without a negative impact. The financial results for the year are encouraging and the level of retained reserves ensure that this objective has been achieved.

Structure, governance and management

The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association. It has been granted charitable status by The Charity Commission for Northern Ireland under registration number NIC100006.

The charity is governed by its trustees who meet between eight and ten times annually to discuss financial and strategic issues, policy and procedure decisions, and to ratify significant legally binding decisions.

Mrs Tina McMillan, company manager, is responsible for the day to day running of the charity.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

| | |
|------------------|------------------------------|
| Mr J E McQuillan | |
| Mr M Busch | (Resigned 2 May 2023) |
| Mr J Scott | (Resigned 31 October 2022) |
| Mrs N Afshar | (Resigned 25 January 2023) |
| Mr M O'Neill | |
| Mrs K Weekes | (Resigned 31 October 2022) |
| Mrs J Irvine | (Appointed 10 November 2022) |
| Mrs C Preston | (Appointed 31 October 2022) |
| Mr R Harvey | (Appointed 31 October 2022) |

If appropriate, new trustees are invited onto the Board when the need arises. There are no specific requirements regarding skills or experience. However, the current trustees recognise the importance of a diverse and competent Board and this will impact upon any nomination. Those who are invited will be involved with Lagan Valley Rural Transport and will be held in high regard for their work.

New trustees receive appropriate induction procedures and training upon appointment.

No trustees receive any remuneration for their services.

Going concern

The financial statements have been prepared under the assumption that the charity will continue to operate as a going concern. As a result of the surplus returned this year, the charity's reserves have increased. The trustees are confident that the charity retains sufficient reserves to enable its continued operation for the foreseeable future. Additionally, the trustees are constantly reviewing the operations in order to ensure it retains sufficient reserves to maintain its operations. On this basis, the trustees believe it is appropriate to prepare the financial statements on a going concern basis.

LAGAN VALLEY RURAL TRANSPORT

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of Lagan Valley Rural Transport for the purpose of company law, are responsible for preparing the Trustees' 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of 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 trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Auditor

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Johnston Kennedy DFK be reappointed as auditors of the charity will be put to the forthcoming Annual General Meeting.

Disclosure of information to Auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Special Provisions Relating to Small Companies

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The trustees' report was approved by the Board of Trustees.

.....
Mr M O'Neill
Trustee

Date:

LAGAN VALLEY RURAL TRANSPORT

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF LAGAN VALLEY RURAL TRANSPORT

Opinion

We have audited the financial statements of Lagan Valley Rural Transport (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

LAGAN VALLEY RURAL TRANSPORT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF LAGAN VALLEY RURAL TRANSPORT

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

LAGAN VALLEY RURAL TRANSPORT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF LAGAN VALLEY RURAL TRANSPORT

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- the nature of the activities and sector, control environment and performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and relevant internal specialists where necessary regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, the Charities Act (Northern Ireland) 2008 and Taxation Legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

As a result of performing the above our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of terms of funding, relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

LAGAN VALLEY RURAL TRANSPORT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF LAGAN VALLEY RURAL TRANSPORT

Use of our report

This report is made solely to the charity members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
James Gage (Senior Statutory Auditor)

for and on behalf of:
Johnston Kennedy DFK
Chartered Accountants
Statutory Auditor
Ground Floor
Block A, The Sidings
Antrim Road
Lisburn
BT28 3AJ

Date:

LAGAN VALLEY RURAL TRANSPORT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

| | | UnrestrictedDfl | Restricted | Other Restricted | Total | Total |
|---|-------|-----------------|----------------|---------------------|----------------|----------------|
| | | funds | funds | funds | | |
| | | 2023 | 2023 | 2023 | 2023 | 2022 |
| | Notes | £ | £ | £ | £ | £ |
| <u>Income and endowments from:</u> | | | | | | |
| Donations and legacies | 3 | - | 143,119 | 18,720 | 161,839 | 221,468 |
| Charitable activities | 4 | 4,540 | 721 | 107,740 | 113,001 | 117,643 |
| Investments | 5 | 798 | - | - | 798 | 28 |
| Other income | 6 | - | - | 5,940 | 5,940 | - |
| Total income | | 5,338 | 143,840 | 132,400 | 281,578 | 339,139 |
| <u>Expenditure on:</u> | | | | | | |
| Charitable activities | 7 | - | 147,455 | 132,400 | 279,855 | 243,899 |
| Net incoming resources before transfers | | 5,338 | (3,615) | - | 1,723 | 95,240 |
| Net income for the year/ Net movement in funds | | 5,338 | (3,615) | - | 1,723 | 95,240 |
| Fund balances at 1 April 2022 | | 209,943 | 22,540 | 70,678 | 303,161 | 207,921 |
| Fund balances at 31 March 2023 | | 215,281 | 18,925 | 70,678 | 304,884 | 303,161 |

Statement of comprehensive income

There is no other comprehensive income to report for the financial year.

Continuing operations

The Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

Historical Cost

The results as disclosed in the statement of financial activities and the net incoming resources for the year have been presented on an historical cost basis.

Comparatives

The comparative amounts by fund have been disclosed in notes 3 , 4 and 7.

The notes on pages 11 to 24 form part of these financial statements

LAGAN VALLEY RURAL TRANSPORT

BALANCE SHEET

AS AT 31 MARCH 2023

| | Notes | 2023 £ | £ | (As re-stated) 2022 £ | £ |
|---|-------|-----------------|----------------|-----------------------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 43,336 | | 57,657 |
| Current assets | | | | | |
| Debtors | 13 | 45,635 | | 59,165 | |
| Cash at bank and in hand | | 269,689 | | 252,108 | |
| | | <u>315,324</u> | | <u>311,273</u> | |
| Creditors: amounts falling due within one year | 14 | <u>(53,776)</u> | | <u>(65,769)</u> | |
| Net current assets | | | 261,548 | | 245,504 |
| Total assets less current liabilities | | | <u>304,884</u> | | <u>303,161</u> |
| Income funds | | | | | |
| Other Restricted funds | 16 | | 70,678 | | 70,678 |
| Dfl Restricted funds | 16 | | 18,925 | | 22,540 |
| Unrestricted funds | 17 | | 215,281 | | 209,943 |
| Total funds | | | <u>304,884</u> | | <u>303,161</u> |

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

The financial statements were approved by the Trustees and authorised for issue on and signed on its behalf by:

.....
Mr M O'Neill
Trustee

.....
Mrs C Preston
Trustee

Company Registration No. NI054558

Charity Registration No. NIC 100006

The notes on pages 11 to 24 form part of these financial statements

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Lagan Valley Rural Transport is a private company limited by guarantee incorporated in Northern Ireland. The registered office is Units 1-6 PRM Complex, Rathdown Road, Moira Road, Lisburn, BT28 2RE.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund Accounting

The charity has different types of funds for which it is responsible, and which require separate disclosure. These are as follows:

(a) Restricted funds - Funding received which can only be used for a specific purpose as determined by the funder. Such purposes are within the overall aims of the organisation and are set out in the notes to the financial statements.

(b) Unrestricted funds - Funds which are expendable at the discretion of the directors in the furtherance of the objectives of the charity. In addition the funds may be held in order to finance capital investment and working capital.

1.4 Income and expenditure

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. All income arose wholly in the United Kingdom.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The majority of costs are directly attributable to charitable activities. Where costs cannot be directly attributed to particular headings they have been allocated to charitable activities on a basis consistent with use of the resources. Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities.

1.5 Support costs

Support costs are those functions that assist the work of the charity but do not directly represent charitable activities. Support costs include back office costs, finance, human resources, payroll and governance costs which support the charity's activities. These costs have been allocated against the expenditure on charitable activities.

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets costing £500 or more are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|----------------|----------------------|
| IT Equipment | 33.33% Straight Line |
| Motor vehicles | 25% Straight Line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The company is a registered charity and is not liable to tax on funds generated from activities within the scope of the charitable exemptions.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

1.13 Hire purchase and finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.14 Government grants

Government grants are recognised based on the accruals model and are measured at the fair value received or receivable. Grants are classified as relating either to revenue or assets. Grants relating to revenue are recognised in income over the period in which the related expenditure is incurred. Grants towards capital expenditure are credited to deferred income and released as income over the expected useful life of the assets.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

| 3 Donations and legacies | DfI Restricted Funds 2023 | | Restricted Funds 2023 | | Unrestricted Funds 2023 | | Total | | DfI Restricted Funds 2022 | | Restricted Funds 2022 | | Unrestricted Funds 2022 | | Total | |
|---|---------------------------|--------|-----------------------|---|-------------------------|---|---------|---------|---------------------------|--------|-----------------------|---|-------------------------|---|-------|---------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| DfI RTF Scheme | 115,330 | - | - | - | - | - | 115,330 | - | 115,330 | - | - | - | - | - | - | 115,330 |
| DfI ARTS | 8,681 | - | - | - | - | - | 8,681 | - | 13,682 | - | - | - | - | - | - | 13,682 |
| DfI Blue / Green Infrastructure funding | 19,108 | - | - | - | - | - | 19,108 | - | 19,483 | - | - | - | - | - | - | 19,483 |
| Lisburn & Castlereagh City Council | - | - | 18,720 | - | - | - | 18,720 | 18,720 | - | 18,720 | - | - | - | - | - | 18,720 |
| DfI Covid Relief (Resource) Funding | - | - | - | - | - | - | - | - | - | 14,709 | - | - | - | - | - | 14,709 |
| DfI Community Transport Lease Funding | - | - | - | - | - | - | - | 22,015 | - | - | - | - | - | - | - | 22,015 |
| Coronavirus Job Retention Scheme | - | - | - | - | - | - | - | - | - | 17,529 | - | - | - | - | - | 17,529 |
| | 143,119 | 18,720 | - | - | - | - | 161,839 | 170,510 | 50,958 | - | - | - | - | - | - | 221,468 |

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

| 4 Charitable activities | DfI Restricted Funds | | Other Unrestricted Funds | | Total 2023 | | DfI Restricted Funds | | Restricted Unrestricted Funds | |
|-------------------------|----------------------|---|--------------------------|---|------------|---|----------------------|---|-------------------------------|---|
| | 2023 | £ | 2023 | £ | 2023 | £ | 2022 | £ | 2022 | £ |
| Dial a lift | 721 | | - | | 721 | | 713 | | - | |
| DfI DATS | - | | 107,740 | | 107,740 | | - | | 114,936 | |
| Hire & Other Charges | - | | - | | 3,725 | | - | | - | |
| DAL Membership Fees | - | | - | | 815 | | - | | - | |
| | 721 | | 107,740 | | 113,001 | | 713 | | 114,936 | |
| | | | 4,540 | | | | | | 1,994 | |

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|--------------------|--------------------|
| | 2023 | 2022 |
| | £ | £ |
| Interest receivable | 798 | 28 |

6 Other income

| | Restricted funds | Restricted funds |
|---|------------------|------------------|
| | 2023 | 2022 |
| | £ | £ |
| Net gain on disposal of tangible fixed assets | 5,940 | - |

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Expenditure on charitable activities

| | Dfl Restricted Funds | Other Restricted Funds | Unrestricted Funds | Total | Total |
|--|-------------------------|------------------------------|-----------------------|----------------|----------------|
| | 2023 | 2023 | 2023 | 2023 | 2022 |
| | £ | £ | £ | £ | £ |
| Transport Costs | 23,103 | 45,625 | - | 68,728 | 64,552 |
| Employment costs | 80,531 | 55,339 | - | 135,870 | 111,948 |
| Staff Training | 512 | - | - | 512 | 166 |
| Postage & Stationery | 1,756 | - | - | 1,756 | 2,159 |
| ICT Costs | 2,800 | 3,441 | - | 6,241 | 4,244 |
| Travel Expenses | - | 7,264 | - | 7,264 | 4,549 |
| Clothing Costs | 186 | 1 | - | 187 | 547 |
| General Expenses | 3,769 | - | - | 3,769 | 2,980 |
| Telephone | - | 2,975 | - | 2,975 | 3,244 |
| Professional Fees | 5,159 | 1,215 | - | 6,374 | 2,371 |
| Premises Costs | 6,000 | 7,218 | - | 13,218 | 14,315 |
| Insurance | 1,103 | - | - | 1,103 | 1,077 |
| Heat & Light | 1,256 | 4,420 | - | 5,676 | 3,121 |
| Repairs & Renewals | - | 1,519 | - | 1,519 | 2,044 |
| Membership Fees | - | 535 | - | 535 | 571 |
| Bank Fees | 636 | - | - | 636 | 536 |
| Depreciation | 19,108 | 1,522 | - | 20,630 | 22,775 |
| | <u>145,919</u> | <u>131,074</u> | <u>-</u> | <u>276,993</u> | <u>241,199</u> |
| Analysed between: | | | | | |
| Charitable activities | | | | 257,693 | 224,208 |
| Support costs | | | | 19,300 | 16,991 |
| | | | | <u>276,993</u> | <u>241,199</u> |
| Share of governance costs (see note 8) | 1,536 | 1,326 | - | 2,862 | 2,700 |
| | <u>147,455</u> | <u>132,400</u> | <u>-</u> | <u>279,855</u> | <u>243,899</u> |

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Governance costs

| | Governance costs | 2023 | 2022 |
|--|-------------------------|-------------|-------------|
| | £ | £ | £ |
| Audit fees | 2,862 | 2,862 | 2,700 |
| Analysed between Charitable activities | 2,862 | 2,862 | 2,700 |

Governance costs includes payments to the auditors of £2,862 (2022- £2,700) for audit fees.

9 Net movement in funds

| | 2023 | 2022 |
|---|-------------|-------------|
| | £ | £ |
| Net movement in funds is stated after charging/(crediting) | | |
| Fees payable to the company's auditor for the audit of the company's financial statements | 2,862 | 2,700 |
| Depreciation of owned tangible fixed assets | 20,630 | 22,775 |
| Profit on disposal of tangible fixed assets | (5,940) | - |

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration from the charity during the year.

None of the trustees received any reimbursed expenses or any other benefits from the charity during the year.

11 Employees

The average monthly number of employees (including senior management team) during the year was:

| | 2023 | 2022 |
|-------------------------|---------------|---------------|
| | Number | Number |
| Charitable activities | 7 | 6 |
| Employment costs | 2023 | 2022 |
| | £ | £ |
| Wages and salaries | 127,245 | 105,548 |
| Social security costs | 6,604 | 4,756 |
| Pension costs | 2,021 | 1,644 |
| | 135,870 | 111,948 |

No employees received emoluments of £60,000 or more during the current or previous year.

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Tangible fixed assets

| | IT Equipment £ | Motor vehicles £ | Total £ |
|------------------------------------|-------------------|---------------------|----------------|
| Cost | | | |
| At 1 April 2022 | - | 201,627 | 201,627 |
| Additions | 6,309 | - | 6,309 |
| Disposals | - | (45,200) | (45,200) |
| | <u>6,309</u> | <u>156,427</u> | <u>162,736</u> |
| At 31 March 2023 | <u>6,309</u> | <u>156,427</u> | <u>162,736</u> |
| Depreciation and impairment | | | |
| At 1 April 2022 | - | 143,970 | 143,970 |
| Depreciation charged in the year | 1,522 | 19,108 | 20,630 |
| Eliminated in respect of disposals | - | (45,200) | (45,200) |
| | <u>1,522</u> | <u>117,878</u> | <u>119,400</u> |
| At 31 March 2023 | <u>1,522</u> | <u>117,878</u> | <u>119,400</u> |
| Carrying amount | | | |
| At 31 March 2023 | <u>4,787</u> | <u>38,549</u> | <u>43,336</u> |
| At 31 March 2022 | <u>-</u> | <u>57,657</u> | <u>57,657</u> |

13 Debtors

| | 2023 £ | 2022 £ |
|---|---------------|---------------|
| Amounts falling due within one year: | | |
| Charitable activity debtors | 10,128 | 9,845 |
| Prepayments and accrued income | 14,508 | 26,440 |
| Other debtors | 20,999 | 22,880 |
| | <u>45,635</u> | <u>59,165</u> |

14 Creditors: amounts falling due within one year

| | Notes | 2023 £ | 2022 £ |
|------------------------------------|-------|---------------|---------------|
| Deferred income | 15 | 38,216 | 57,324 |
| Operating creditor | | 5,869 | 3,577 |
| Other taxation and social security | | 5,876 | 2,165 |
| Accruals and other creditors | | 3,815 | 2,703 |
| | | <u>53,776</u> | <u>65,769</u> |

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Deferred income

| | 2023 £ | 2022 £ |
|------------------|-----------|-----------|
| Deferred funding | 38,216 | 57,324 |

During the year ended 31 March 2022, a restricted grant was received under the DfI Blue/Green Infrastructure Funding Programme for the purchase of an electric vehicle, charging point and associated civil works. This grant has been credited to deferred income and is being released to the Statement of Financial Activities over the expected useful life of the related asset.

16 Restricted funds

| | Balance at 1 April 2022 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 March 2023 £ |
|------------------------|---------------------------------|----------------------------|----------------------------|----------------|----------------------------------|
| Other Restricted funds | 70,678 | 132,400 | (132,400) | - | 70,678 |
| DfI Restricted funds | 22,540 | 143,840 | (147,455) | - | 18,925 |
| Total restricted funds | 93,218 | 276,240 | (279,855) | - | 108,528 |

17 Unrestricted income funds

| | Balance at 1 April 2022 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 March 2023 £ |
|--------------------|---------------------------------|----------------------------|----------------------------|----------------|----------------------------------|
| Unrestricted funds | 209,943 | 5,338 | - | - | 215,281 |

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

| 18 Analysis of net assets between funds | Unrestricted funds | | Dfl Restricted funds | | Other Restricted funds | | Total | |
|--|--------------------|---------------|----------------------|---------------|------------------------|---------------|---------------|----------------|
| | 2023 | 2023 | 2023 | 2023 | 2023 | 2023 | 2022 | 2022 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Fund balances at 31 March 2023 are represented by: | | | | | | | | |
| Tangible assets | - | | | | | | | |
| Current assets/(liabilities) | 215,281 | 18,925 | 43,336 | 27,342 | 209,943 | 22,540 | 57,657 | 57,657 |
| | <u>215,281</u> | <u>18,925</u> | <u>43,336</u> | <u>27,342</u> | <u>209,943</u> | <u>22,540</u> | <u>13,021</u> | <u>245,504</u> |
| | <u>215,281</u> | <u>18,925</u> | <u>304,884</u> | <u>70,678</u> | <u>209,943</u> | <u>22,540</u> | <u>70,678</u> | <u>303,161</u> |

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Analysis of net funds

| | At 1 April 2022 | Financing cash flows | At 31 March 2023 |
|--------------------------|--------------------|-------------------------|---------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 252,108 | 17,581 | 269,689 |

20 Capital commitments

The company had no capital commitments as at 31 March 2023.

21 Non-audit service provision

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

22 Related party transactions

During the year the charity made the following related party transactions:

Lagan Regional Transport CIC

(The charity shares some common directors with Lagan Regional Transport CIC (LRT)).

In 2012, the Board decided to obtain a Private Bus Operators Licence. As a result of the funding restrictions within the charity, this had to be achieved via another company. Accordingly Lagan Regional Transport CIC (LRT) was created, a company which shares some common directors with the charity. An initial loan of £15,000 was made to LRT, to ensure that it complied with the required financial resources necessary to launch the company. Additional sums have been paid, in the intervening years, on the company's behalf. The loan is made on an interest free basis and is unsecured. At the balance sheet date the amount due from Lagan Regional Transport CIC was £20,999(2022: £20,321). This amount is included within other debtors due within one year.

23 Trustees' liability

Lagan Valley Rural Transport is a private company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

24 Control

The charity is controlled by the trustees who are all directors of the company.

LAGAN VALLEY RURAL TRANSPORT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

25 Previous year comparative

The previous year comparatives (31 March 2022) have been re-stated in line with funder requests.

| | Fund balances before £ | Fund balances after £ |
|------------------------|------------------------------|-----------------------------|
| Other Restricted funds | 17,616 | 70,678 |
| Dfi Restricted funds | 10,476 | 22,540 |
| Unrestricted funds | 275,069 | 209,943 |
| | <u>303,161</u> | <u>303,161</u> |

The total fund balances at 31 March 2022 remain unchanged.