

RaKAT

COMPANY LIMITED BY GUARANTEE

Richmond and Kingston Accessible Transport

Community Travel

FINANCIAL STATEMENTS

31 MARCH 2008



Charity Number 1102302

**RAKAT
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008**

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**RAKAT
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS *(continued)*

| | |
|------------------------------------|--|
| Registered charity name | RAKAT |
| Charity number | 1102302 |
| Company registration number | 4673954 |
| Registered office | North Kingston Centre Richmond Road Kingston upon Thames Surrey KT2 5PE |
| Trustees | Hilary Garner (Chair) Stephen Baughan (Treasurer) Andrew Ayling John Wiltshire Fionna Brennan Diana Midmer Paul Cox (President) John Webb |
| Company Secretary | Stephen Baughan |
| Auditor | Penningtons Chartered Accountants & Registered Auditors 5 Bushy Park Mews, 53 High Street Hampton Hill, Middlesex, TW12 1NH |
| Bankers | Barclays Bank PLC CCLA Investment Management Ltd |
| Staff | Nigel Newby - Chief Executive Officer Alan Smart - Operations Manager Robert Serrij - Fleet Supervisor Liz Mills - Operations Administrator Lamont Graham - Training Officer Adelaide Boakye-Yiadom - Kingston Enterprise Schemes Manager Len Tickner - Kingston Enterprise Driver Fiona MacGreggor - Hampton Enterprise - Driver Frances Smith - Hampton Enterprise - Co-ordinator Clive Wallis - Barnes Enterprise - Driver Phyllida Cornfield - Barnes Enterprise - Co-ordinator |

RAKAT COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2008.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 3 of the financial statements.

THE TRUSTEES

The trustees who served the charity during the period were as follows:

Hilary Garner (Chair)
Stephen Baughan (Treasurer)
Andrew Ayling
John Wiltshire
Fionna Brennan
Diana Midmer
Paul Cox (President)
John Webb

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 21 February 2003 and registered as a charity on 1 April 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1 each.

Recruitment and Appointment of the Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association the members of the Board of Trustees are elected to serve for a period of one year after which they must be re-elected at the next Annual General Meeting.

The Board of Trustees seek to ensure that the needs of this group are appropriately reflected through the diversity of the trustee body. The more traditional business and skills are well represented on the Board of Trustees and in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Board of Trustees.

Trustee Induction and Training

The current trustees are familiar with the practical work of the charity.

New trustees would be required to attend a short induction session to familiarise themselves with the charity and the context within which it operates. These are jointly led by the Chair of the Board of Trustees and the Chief Executive of the charity and cover the obligations of Board of Trustees.

The main documents which set out the operational framework for the charity are the Memorandum and Articles, a business plan and the latest published accounts.

RAKAT COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

Risk Management

The Board of Trustees, the Chief Executive and Operations Manager regularly assess the risks to which the charity is constantly exposed, in particular those relating to the operations and finances of the charity. The Board of Trustees are satisfied that systems are in place to mitigate our exposure to the major risks.

The risks of running a community transport scheme fall primarily into that of health and safety and financial.

The health & safety aspects relate to the condition of our buses and the quality of our drivers. To ensure we achieve the highest possible standard our drivers are regularly assessed through our MiDAS training courses and our vehicles are independently serviced and MOTed biannually together with internal monthly safety inspections. The Board of Trustees ensure sufficient insurance to cover the financial implications of these risks.

The Board of Trustees attempt to limit RaKAT's exposure to financial risk by maintaining a strong asset base in its vehicles and would not take on any financial commitment without ensuring that there was adequate funding or reserves. The Board of Trustees receive quarterly management accounts to ensure that there are sufficient funds in order for the charity to continue, should there be a reduction in grant funding then appropriate action would be taken.

Organisational Structure

The Charity has a Board of Trustees of not less than 3 members who meet quarterly and are responsible for the strategic direction and policy of the charity. At present the Committee has 8 members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Chief Executive, Operations Manager and the Treasurer. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Operations Manager has responsibility for the day to day operational management of Charity. Individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice are the joint responsibility of the Chief Executive and the Operations Manager. The Treasurer in conjunction with the Chief Executive have the responsibility of ensuring the financial stability of the Charity.

Related Parties

Some of the members of the Board of Trustees also have involvement from the member organisations, should any conflict of interest arise at a Board meeting then that member will be excluded from voting and should it be necessary leave the meeting or refrain from the discussions.

There were no related party transactions during the year that are not shown elsewhere in the accounts.

RAKAT COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

OBJECTIVES AND ACTIVITIES

RaKAT's objectives are to provide high quality accessible and affordable transport services for the use of charitable and community based organisations in the London Borough of Richmond and the Royal Borough of Kingston-upon-Thames, creating partnerships and developing projects which provide accessible and affordable transport services for individuals for whom conventional transport is either inaccessible or inappropriate, ensuring the quality of delivery by the constant provision of support, training and information and to develop other complimentary services where local community need is identified.

This Charity was established on 1 April 2004 as a direct successor of Richmond and Kingston Accessible Transport an unincorporated Charity which started 1996. At present it operates a fleet of 21 mini buses (15 being fully accessible), 1 fully accessible people carrier and also manages 5 other mini buses (3 accessible) and 2 Luton bodied furniture vans for other community organisations making use of these in down time. It also provides certificated MiDAS Driver Training and assessment and Passenger Assistant Training. It offers advice and information on transport related matters, liaises between the statutory and voluntary sector with regard to transport initiatives and planning, supervises vehicle compliance and operates in partnerships with other local agencies to develop local integrated transport solutions.

ACHIEVEMENTS AND PERFORMANCE

Community transport operation

Our core operational activities continue to grow successfully attracting new member organisations. The vehicle fleet for which the Charity is responsible now provides over 400 passenger journeys per day and we also provide driver or passenger assistant training to over 200 volunteers per year.

The substantial growth in the usage of our service that we have managed to sustain is demonstrated in the statistics below:

| | Passenger journeys | Vehicle days / part days bookings |
|-----------|-----------------------|---|
| 2007/2008 | 139,150 | 4,460 |
| 2006/2007 | 120,006 | 4,047 |
| 2005/2006 | 92,788 | 3,623 |
| 2004/2005 | 85,746 | 3,492 |
| 2003/2004 | 81,404 | 3,262 |
| 2002/2003 | 51,820 | 2,151 |

The services provided are used by local voluntary / community organisations and local authority / health authority departments. At present over 25,000 local residents can access the services provided. The Charity is continuously developing its services and partnerships in order to provide community driven accessible transport solutions.

The Charity produces posters, leaflets, and press articles also using KVA and RCVS newsletters to raise public awareness of its services.

The Charity's web site places great emphasis on networking and user feedback and word of mouth information.

RAKAT COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

The Charity continues to upgrade its sophisticated computer based management programme.

Without our volunteer drivers, passenger assistants and advisors we would be unable to operate and we are continually looking for new support to help the local communities.

The Transport for London Dial a Ride service continues to operate a sub base from the Charity's premises in North Kingston.

Capital funding

The Charity has developed links with the New Victoria Medical Foundation which agreed to fund accessible bus purchases.

Partnership & Enterprise Schemes

The following Charity's partnerships continue to operate successfully delivering over 20,000 passenger services a year:

- Hampton and Hampton Hill Voluntary Care Groups supported by Richmond Grants Direct, London Borough of Richmond upon Thames and Richmond Primary Care Trust - Hampton Enterprise project, which combines a community car scheme, shopping buses and a "plus bus" service started in 2001.
- FiSH supported by the London Borough of Richmond upon Thames and Richmond Primary Care Trust for the Barnes Mortlake and East Sheen Enterprise scheme which started in 2005.
- Wates Foundation, Bridge House Estate Trusts and the Royal Borough of Kingston upon Thames for the Kingston Enterprise scheme which started in 2006.
- In conjunction with Kingston Voluntary Action we are supporting the development of the Kingston Community Furniture project supervising its transport operations and supporting its overall aims and objects by active participation in its management committee.

Other projects

We received a grant from the Royal Borough of Kingston upon Thames to research the possibilities extended in the use for the fleet of alternative fuels including the economic and practical small scale production of biodiesel from discarded cooking oil. The report was presented during the year and was appreciated.

Training Centre

This is a partnership with Kingston Voluntary Action for which funding is actively being sort to make better use of this facility.

Executive Committee remuneration and expenses

No remuneration has been paid to any member of the Board of Trustees during the period for their duties as a trustee. However the treasurer has been paid for his accountancy services which amounted to £5,000 during the year (2007 - £6,000), much of his time is given on a voluntary basis.

RAKAT COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

FINANCIAL REVIEW

Results for the period

Restricted Funds

Revenue grants of £93,237 (2007 - £65,494) have been received from Local Authorities and prime supporters to cover part of the operational staff costs of the charity, the salary cost of these operational staff have been allocated to this income up to this value.

Transport partnerships and Enterprise schemes received £145,224 (2007 - £137,671) in revenue grants and £28,934 (2007 - £24,187) in fares for running the Hampton, Barnes and Kingston enterprise schemes. The income from these schemes cover the costs of a driver, a co-coordinator a supervisor and the running costs of the minibus provided specially for this project, any surplus over the working capital requirements of three months is carried forward to contribute to the replacement of the minibus in the future. The costs of running these schemes amounted to £166,611 (2007 - £150,036) leaving a balance carried forward of £42,579 which currently is only just sufficient to cover the working capital.

Grants received for capital purchases amounted to £53,810 for two vehicles which were yet to be received and is carried forward. The outgoing resources on this fund of £66,825 represent the annual depreciation on assets which have been donated. The trustees have changed the policy on when these reserves are released to unrestricted therefore transferring the assets that have been purchased to unrestricted in the year rather than over their useful life.

Unrestricted Funds

Income from the use of the buses, affiliation fees, income from driver training, sponsored fundraising income and interest receivable was £188,981 (2007 - £185,381). There was a small surplus of £13,624 (2007 - £8,830) after charging the costs of operating the buses and the administration fees. The transfer of the restricted reserves of £142,495 results in an unrestricted balance carried forward of £268,451.

Reserves Policy

We operate to a reserves policy which determines the level of free unrestricted funds (reserves covered by net assets) which we need to hold for three months working capital to maintain the organisation's core activities and ensure continuity as a going concern in the event that funding from external sources for core or essential activities ceased or was seriously curtailed.

It is a principle of the policy that unrestricted funds not required as working capital or for other purposes should not be retained unnecessarily but should be invested in the future of the organisation and for the benefit of the accessible transport needs of the two boroughs.

The annual cost of our core activity is £265,353 for which three months is £66,338, the Charity's current free reserves are £92,738 so we are investing a modest increase in staff to cope with the increased work load and replacing some of the older buses.

RAKAT COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

PLANS FOR FUTURE PERIODS

Our future plans are shown in detail in our Business plan which are continually being developed, below are the plans for the coming year, future years are more speculative and are available at the Charity's offices.

In summary the following are the plans for the coming year:

Review our charging structure to ensure that it adequately reflects the aims of the organisation whilst ensuring that it is not prohibitive to our users.

Assess the need to create separate business plans for the Enterprise Projects in order for our partners and stakeholders to better understand the viability and direction of these projects. If necessary write these business plans.

Renegotiate the contract to provide the Richmond Enterprise Schemes to commence April 2009.

Seek sources of funding to enable the replacement of aging vehicles within the fleet as we anticipated there is a need to replace four vehicles.

A permanent funding stream for the Kingston Enterprise scheme needs to be established as trust funding will run out at the end of the financial year ending 31 March 2009.

Review the Training facility and its consequential relationship with the Charity.

Prepare a full audit of IT hardware and software in order to ensure the continued smooth operation of transport services provided by the Charity then take action to replace or update as required.

Review the building refurbishment to ensure the continued appearance and viability of the premises to be undertaken and attempt to get funding and renegotiate lease of premises with the Royal Borough of Kingston upon Thames in order to continue occupation.

**RAKAT
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2008

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing these 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with Companies Act 1985. The trustees 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Registered office:
North Kingston Centre
Richmond Road
Kingston upon Thames
Surrey
KT2 5PE

Signed on behalf of the trustees

HILARY GARNER
Chair

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**RAKAT
COMPANY LIMITED BY GUARANTEE**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAKAT

YEAR ENDED 31 MARCH 2008

We have audited the financial statements of RaKAT for the year ended 31 March 2008 on pages 13 to 24 which have been prepared under the historical cost convention and the accounting policies set out on pages 15 to 16.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND AUDITORS

The responsibilities of the trustees (who also act as directors of RaKAT for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the trustees on pages 9 to 10.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Trustees Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding remuneration of the trustees and other transactions is not disclosed.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**RAKAT
COMPANY LIMITED BY GUARANTEE**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAKAT *(continued)*

YEAR ENDED 31 MARCH 2008

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees Annual Report is consistent with the financial statements.

5 Bushy Park Mews
53 High Street
Hampton Hill
Middlesex
TW12 1NH

PENNNINGTONS
Chartered Accountants
& Registered Auditors

**RAKAT
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2008

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2008 £ | Total Funds 2007 £ |
|--|------|----------------------------|--------------------------|--------------------------|--------------------------|
| INCOMING RESOURCES | | | | | |
| Incoming resources from generating funds: | | | | | |
| Voluntary income | 2 | 231 | – | 231 | – |
| Investment income | 3 | 5,514 | – | 5,514 | 4,994 |
| Incoming resources from charitable activities | 4 | 183,236 | 323,780 | 507,016 | 536,711 |
| Other incoming resources | 6 | – | – | – | 300 |
| | | <u>188,981</u> | <u>323,780</u> | <u>512,761</u> | <u>542,005</u> |
| TOTAL INCOMING RESOURCES | | | | | |
| RESOURCES EXPENDED | | | | | |
| Charitable activities | 7/9 | (172,117) | (333,672) | (505,789) | (478,523) |
| Governance costs | 10 | (1,500) | – | (1,500) | (1,500) |
| Other resources expended | 11 | (1,740) | – | (1,740) | – |
| | | <u>(175,357)</u> | <u>(333,672)</u> | <u>(509,029)</u> | <u>(480,023)</u> |
| TOTAL RESOURCES EXPENDED | | | | | |
| NET INCOMING RESOURCES BEFORE TRANSFERS | | | | | |
| | 13 | 13,624 | (9,892) | 3,732 | 61,982 |
| Transfer between funds | 14 | 142,495 | (142,495) | – | – |
| | | <u>156,119</u> | <u>(152,387)</u> | <u>3,732</u> | <u>61,982</u> |
| NET INCOME FOR THE YEAR | | | | | |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | <u>112,332</u> | <u>248,776</u> | <u>361,108</u> | <u>299,126</u> |
| TOTAL FUNDS CARRIED FORWARD | | | | | |
| | | <u>268,451</u> | <u>96,389</u> | <u>364,840</u> | <u>361,108</u> |

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 15 to 24 form part of these financial statements.

**RAKAT
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 MARCH 2008

| | Note | 2008 £ | £ | 2007 £ |
|---|-----------|------------------------|-----------------------|------------------------|
| FIXED ASSETS | | | | |
| Tangible assets | 16 | | 175,533 | 199,298 |
| CURRENT ASSETS | | | | |
| Debtors | 17 | 124,066 | | 76,364 |
| Cash at bank and in hand | | <u>148,135</u> | | <u>106,232</u> |
| | | 272,201 | | 182,596 |
| CREDITORS: Amounts falling due within one year | 18 | <u>(82,894)</u> | | <u>(20,786)</u> |
| NET CURRENT ASSETS | | | 189,307 | 161,810 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>364,840</u> | <u>361,108</u> |
| NET ASSETS | | | <u>364,840</u> | <u>361,108</u> |
| FUNDS | | | | |
| Restricted income funds | 19 | | 96,389 | 248,776 |
| Unrestricted income funds | 20 | | <u>268,451</u> | <u>112,332</u> |
| TOTAL FUNDS | | | <u>364,840</u> | <u>361,108</u> |

These financial statements were approved by the members of the committee on the and are signed on their behalf by:

HILARY GARNER
Trustee

STEPHEN BAUGHAN
Trustee

The notes on pages 15 to 24 form part of these financial statements.

**RAKAT
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS**

YEAR ENDED 31 MARCH 2008

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 1985.

Incoming Resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities and the value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

Incoming resources from charitable trading activity are accounted for when earned.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage as set out in Note 4.

**RAKAT
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008**

Taxation

As a charity, RaKAT is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Pension Policy

The charity does not operate any pension scheme, however the charity contributes to individuals stake holder pension schemes to the value of 5% of salary. The contributions are included in the Statement of Financial Activities when they fall due.

Fund Accounting

Unrestricted General Funds are those funds which can be used in accordance with the charitable objects with the discretion of the trustees.

Designated Funds are those funds set aside by the trustees out of unrestricted funds for specific future purposes or projects.

Restricted Funds are those funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor. The Trustees have reviewed their approach to the capital purchase restricted funds to transfer the balance from restricted to unrestricted in the year of purchase rather than over the life of the asset.

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 financial statements on the grounds that the charity is small.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Portacabin 7 years, Computers 3 years (straight line)
Vehicles 33% reducing balance

2. VOLUNTARY INCOME

| | Unrestricted Funds | Total Funds 2008 | Total Funds 2007 |
|-------------------|-------------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ |
| Donations | | | |
| General donations | 231 | 231 | — |
| | <u>231</u> | <u>231</u> | <u>—</u> |

**RAKAT
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008**

3. INVESTMENT INCOME

| | Unrestricted Funds | Total Funds 2008 | Total Funds 2007 |
|--------------------------|-------------------------------|-----------------------------|---------------------|
| | £ | £ | £ |
| Bank interest receivable | <u>5,514</u> | <u>5,514</u> | <u>4,994</u> |

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds | Restricted Funds | Total Funds 2008 | Total Funds 2007 |
|------------------------------------|-------------------------------|-----------------------------|-----------------------------|---------------------|
| | £ | £ | £ | £ |
| Community transport operations | 183,236 | 93,237 | 276,473 | 245,581 |
| Partnership and enterprise schemes | – | 174,273 | 174,273 | 161,858 |
| Capital funding | – | 53,810 | 53,810 | 126,000 |
| Other Projects | – | 2,000 | 2,000 | – |
| Training centre | – | 460 | 460 | 3,272 |
| | <u>183,236</u> | <u>323,780</u> | <u>507,016</u> | <u>536,711</u> |

**RAKAT
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008**

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES BY TYPE

| | Unrestricted Funds £ | Restricted funds £ | Total Funds £ | Total Funds 2007 £ |
|--|----------------------------|--------------------------|---------------------|-----------------------------|
| Vehicle operation | | | | |
| Royal Borough of Kingston upon Thames - Grant | – | 29,576 | 29,576 | 28,997 |
| Richmond Grants Direct - Grant | – | 29,576 | 29,576 | 28,997 |
| Hampton Fuel Allotments - Grant | – | 7,500 | 7,500 | 7,500 |
| Richmond Parish Lands - Grant | – | 4,347 | 4,347 | – |
| Dial a Ride | – | 19,738 | 19,738 | 19,903 |
| Royal Society of St George | – | 2,500 | 2,500 | – |
| Income from the use of buses | 173,382 | | 173,382 | 150,554 |
| Affiliation fee & driver training | 9,854 | | 9,854 | 9,630 |
| | <u>183,236</u> | <u>93,237</u> | <u>276,473</u> | <u>245,581</u> |
| Transport partnerships | | | | |
| Richmond Grants Direct | – | 13,488 | 13,488 | 12,812 |
| Richmond & Twickenham Primary Care Trust | – | 21,611 | 21,611 | 21,188 |
| Kingston Voluntary Action | – | 12,500 | 12,500 | 10,000 |
| London Borough of Richmond upon Thames | – | 48,624 | 48,624 | 47,671 |
| Royal Borough of Kingston upon Thames | – | 14,001 | 14,001 | 14,000 |
| City Bridge House Charitable Trust | – | 25,000 | 25,000 | 24,500 |
| Wates Foundation | | 10,000 | 10,000 | 7,500 |
| Income from use of buses | | 28,934 | 28,934 | 24,187 |
| | – | <u>174,158</u> | <u>174,158</u> | <u>161,858</u> |
| Capital purchase | | | | |
| Richmond Parish Lands Charity | – | – | – | 10,000 |
| Hampton Fuel Allotments | – | – | – | 32,000 |
| Big Lottery | – | – | – | 84,000 |
| The New Victoria Medical Foundation | | 53,810 | 53,810 | – |
| | – | <u>53,810</u> | <u>53,810</u> | <u>126,000</u> |
| Other Projects | | | | |
| Royal Borough of Kingston upon Thames | | 2,000 | 2,000 | – |
| | | <u>2,000</u> | <u>2,000</u> | <u>–</u> |
| Training Facility | | | | |
| Income from use of training facility | | 460 | 460 | 3,272 |
| | | <u>460</u> | <u>460</u> | <u>3,272</u> |

**RAKAT
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008**

6. OTHER INCOMING RESOURCES

| | Total Funds 2008 | Total Funds 2007 |
|--|-----------------------------|---------------------|
| | £ | £ |
| Gains on disposal of tangible fixed assets for charity's own use | – | 300 |
| | <u>–</u> | <u>300</u> |

7. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

| | Unrestricted Funds | Restricted Funds | Total Funds 2008 | Total Funds 2007 |
|----------------------------------|-------------------------------|-----------------------------|-----------------------------|---------------------|
| | £ | £ | £ | £ |
| Community transport operations | 172,117 | 93,236 | 265,353 | 244,745 |
| Capital funding | – | 66,825 | 66,825 | 72,319 |
| Training centre | – | 5,000 | 5,000 | 11,423 |
| Partnership & enterprise schemes | – | 117,852 | 117,852 | 119,473 |
| Other Projects | – | 2,000 | 2,000 | – |
| Support costs | – | 48,759 | 48,759 | 30,563 |
| | <u>172,117</u> | <u>333,672</u> | <u>505,789</u> | <u>478,523</u> |

8. RESOURCES EXPENDED BY COST

| | Total Funds | Total Funds 2005 |
|--|------------------------|---------------------|
| | £ | £ |
| Salary, National Insurance and Pension | 228,173 | 222,926 |
| Depreciation | 89,090 | 93,509 |
| Vehicle Costs | 155,716 | 129,010 |
| Training Costs | 2,440 | 1,452 |
| Occupancy Costs | 8,600 | 11,829 |
| Administrative Costs | 21,770 | 19,795 |
| | <u>505,789</u> | <u>478,521</u> |

**RAKAT
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008**

9. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

| | Activities undertaken directly £ | Support costs £ | Total Funds 2008 £ | Total Funds 2007 £ |
|----------------------------------|---|-----------------------|--------------------------|--------------------------|
| Community transport operations | 265,353 | – | 265,353 | 244,745 |
| Capital funding | 66,825 | – | 66,825 | 72,319 |
| Training centre | 5,000 | – | 5,000 | 11,423 |
| Partnership & enterprise schemes | 117,852 | 48,759 | 166,611 | 150,036 |
| Other Projects | 2,000 | – | 2,000 | – |
| | <u>457,030</u> | <u>48,759</u> | <u>505,789</u> | <u>478,523</u> |

10. GOVERNANCE COSTS

| | Unrestricted Funds £ | Total Funds 2008 £ | Total Funds 2007 £ |
|------------|----------------------------|--------------------------|--------------------------|
| Audit fees | <u>1,500</u> | <u>1,500</u> | <u>1,500</u> |

11. OTHER RESOURCES EXPENDED

| | Unrestricted Funds £ | Total Funds 2008 £ | Total Funds 2007 £ |
|---|----------------------------|--------------------------|--------------------------|
| Losses on disposal of tangible fixed assets for charity's own use | <u>1,740</u> | <u>1,740</u> | <u>–</u> |

12. ANALYSIS OF SUPPORT COSTS

| | Enterprise schemes £ | Total 2007 £ |
|---------------------------|----------------------------|-----------------|
| Vehicle operational costs | <u>48,759</u> | <u>30,563</u> |

13. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

| | 2008 £ | 2007 £ |
|--|--------------|--------------|
| Staff pension contributions | 11,264 | 8,487 |
| Depreciation | 89,091 | 93,509 |
| Auditors' remuneration: - audit of the financial statements | <u>1,500</u> | <u>1,500</u> |

**RAKAT
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008**

14. FUND TRANSFERS

Grants for capital assets are treated as restricted on receipt, depreciation is then charged against the assets in the year. Once the asset is purchased our obligations under the grant in then complete and the asset becomes the property of the charity therefore the balance is transferred from restricted funds to unrestricted funds. This is a change in accounting policy during the year.

15. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

| | 2008 | 2007 |
|-----------------------|-----------------------|----------------|
| | £ | £ |
| Wages and salaries | 208,366 | 196,916 |
| Social security costs | 18,543 | 17,523 |
| Other pension costs | 11,264 | 8,487 |
| | <u>238,173</u> | <u>222,926</u> |

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

| | 2008 | 2007 |
|-----------------------------------|-------------|----------|
| | No | No |
| Number of Operational Staff (FTE) | 9 | 8 |
| | <u>9</u> | <u>8</u> |

No employee received emoluments of more than £60,000 during the year (2007 - Nil).

**RAKAT
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008**

16. TANGIBLE FIXED ASSETS

| | Equipment £ | Motor Vehicles £ | Total £ |
|-------------------------|----------------|------------------------|----------------|
| COST | | | |
| At 1 April 2007 | 94,967 | 644,367 | 739,334 |
| Additions | – | 67,406 | 67,406 |
| Disposals | – | (95,247) | (95,247) |
| At 31 March 2008 | <u>94,967</u> | <u>616,526</u> | <u>711,493</u> |
| DEPRECIATION | | | |
| At 1 April 2007 | 59,098 | 480,938 | 540,036 |
| Charge for the year | 12,915 | 76,175 | 89,090 |
| On disposals | – | (93,166) | (93,166) |
| At 31 March 2008 | <u>72,013</u> | <u>463,947</u> | <u>535,960</u> |
| NET BOOK VALUE | | | |
| At 31 March 2008 | <u>22,954</u> | <u>152,579</u> | <u>175,533</u> |
| At 31 March 2007 | <u>35,869</u> | <u>163,429</u> | <u>199,298</u> |

17. DEBTORS

| | 2008 £ | 2007 £ |
|---------------|----------------|---------------|
| Trade debtors | 42,844 | 30,386 |
| Other debtors | 12,733 | 5,568 |
| Prepayments | 68,489 | 40,410 |
| | <u>124,066</u> | <u>76,364</u> |

18. CREDITORS: Amounts falling due within one year

| | 2008 £ | 2007 £ |
|------------------------------|---------------|---------------|
| Trade creditors | 69,125 | 13,222 |
| Taxation and social security | 5,252 | 5,565 |
| Grants in advance | 2,516 | – |
| Accruals | 6,001 | 1,999 |
| | <u>82,894</u> | <u>20,786</u> |

**RAKAT
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008**

19. RESTRICTED INCOME FUNDS

| | Balance at 1 Apr 2007 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 Mar 2008 £ |
|--------------------------------|-------------------------------|----------------------------|----------------------------|------------------|--------------------------------|
| Community transport operations | – | 93,236 | (93,236) | – | – |
| Capital Projects | 194,320 | 53,810 | (66,825) | (127,495) | 53,810 |
| Training Centre | 20,000 | 460 | (5,460) | (15,000) | – |
| Other Projects | – | 2,000 | (2,000) | – | – |
| Enterprise schemes | 34,456 | 174,273 | (166,150) | – | 42,579 |
| | <u>248,776</u> | <u>323,779</u> | <u>(333,671)</u> | <u>(142,495)</u> | <u>96,389</u> |

Purposes of Restricted Fund

Community transport operations

These are funds received from our principal funders to cover a proportion of staff costs have been restricted by those funders for this purpose. Any additional staff costs are charged against unrestricted funds.

Capital funding

The income for capital purchases is received in the form of grant and is treated as a restricted fund. In the year of purchase the first years depreciation is charged against the restricted fund and the balance is then transferred to unrestricted funds as it is now the opinion of the board of trustees that once the asset has been purchased then the restriction no longer applies.

Training centre

This is a grant received to purchase a portakabin for accessible learning. This has been treated in a similar way to the restricted fund for funding.

Partnership & enterprise schemes

These funds are for the direct costs of running our enterprise schemes. Each scheme is intended to be self funding with any surplus contributing to its own working capital requirement of 3 months and the replacement of the minibus at the end of its useful life.

20. UNRESTRICTED INCOME FUNDS

| | Balance at 1 Apr 2007 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 Mar 2008 £ |
|---------------|-------------------------------|----------------------------|----------------------------|----------------|--------------------------------|
| General Funds | <u>112,332</u> | <u>188,981</u> | <u>(175,357)</u> | <u>142,495</u> | <u>268,451</u> |

**RAKAT
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2008**

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible fixed assets £ | Net current assets £ | Total £ |
|----------------------------------|--|-------------------------------------|--------------------|
| Restricted Income Funds: | | | |
| Capital Projects | – | 53,810 | 53,810 |
| Transport Partnerships | – | 42,759 | 42,759 |
| | – | 96,569 | 96,569 |
| Unrestricted Income Funds | 175,533 | 92,738 | 268,271 |
| Total Funds | 175,533 | 189,307 | 364,840 |

22. COMPANY LIMITED BY GUARANTEE

The members of this organisation are our affiliated users who have committed to the guarantee of £1 upon the dissolution of the Charity. There are currently 339 members and their details are maintained at the operational address.