

**wmsnt** accessible mobility for all

# **wmsnt (Holdings) Limited**

**Annual Report  
2013/14**

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2014**

## **CONTENTS**

Company information and professional advisers	Page 3
Directors/Trustees and Executive Staff	Page 4
1. Introduction—Objectives and Activities	Page 5
2. Structure, Governance and Management	Page 6
3. Trustees and their responsibilities	Page 8
4. Financial Review	Page 9
5. Strategic Review - The <b>wmsnt</b> Group during 2013/14:	Page 11
a. <b>wmsnt</b> 's involvement with other organisations and authorities	(Page 11)
b. Operational Review of Activities during 2013/14:	(Pages 11-14)
i. <i>The Ring and Ride</i> service	
ii. Accessible Transport Service operations	
iii. Training services	
c. Risk Management	(Pages 14-15)
d. <b>wmsnt</b> 's Planning Process for 2014/15 and future periods	(Pages 15-16)
e. Employees	(Pages 16-18)
f. Funds held as Custodian Trustee on behalf of others	(Page 18)
g. Public Benefit	(Page 18)
h. Declaration	(Page 18)
Independent Auditors report	Pages 19-20
Consolidated statement of Financial Activities (including income and expenditure account)	Page 21
Consolidated Balance Sheet	Page 22
Charitable Company Balance Sheet	Page 23
Consolidated Cash Flow Statement	Page 24
Notes to the Financial Statements	Pages 25- 42

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2014**

# **wmsnt (Holdings) Limited**

## **REPORT AND FINANCIAL STATEMENTS 2013/14**

### **COMPANY INFORMATION AND PROFESSIONAL ADVISERS**

**Charity registration number 700370**  
**Company registration number 02263123**

#### ***HEAD OFFICE***

80 Park Road  
Aston  
Birmingham  
B6 5PL

#### ***SOLICITORS***

Clarke Willmott  
138 Edmund Street  
Birmingham  
B3 2ES

#### ***REGISTERED OFFICE***

80 Park Road  
Aston  
Birmingham  
B6 5PL

EmmsGilmoreLiberson  
Lancaster House  
67 Newhall Street  
Birmingham  
B3 1NQ

#### ***BANKERS***

Unity Trust Bank Plc  
Nine Brindleyplace  
Birmingham  
B1 2HB

Barclays Bank Plc  
1 Snowhill Queensway  
Birmingham  
B4 6GN

#### ***AUDITORS***

Chantrey Vellacott  
35 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1TS

**wmsnt (Holdings) Limited  
(A company limited by guarantee)**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 MARCH 2014**

**DIRECTORS/TRUSTEES AND EXECUTIVE STAFF**

**Directors and Trustees - wmsnt (Holdings)**

Mr MG Kemp BA Econ (Hons), CPFA - (Chair)  
Mr RJ Brooks BSc, MSc, C Eng, MICE, MCIT  
Mr I Pearson JP  
Ms J Robinson  
Lady C Zissman JP (to 31 July 2014)  
Mr A Aston BSc Econ (Hons), CIPR (appointed 10 April 2013)  
Mr R Gist BA, MBA (appointed 10 April 2013 to 11 August 2014)  
Mrs J Robson (appointed 10 April 2013)  
Mr F Green FCA (appointed 24 July 2013)  
Mrs J Lucas BA, ACA (appointed 24 July 2013)

*All Directors/Trustees are non-executive*

**EXECUTIVE STAFF CURRENTLY IN POST**

Chief Executive	Mr PJT Maggs CBE
Operations Manager	Mr D R Rogers FCIT
Personnel Manager	Mrs S E McKevitt Chartered MCIPD
Finance Manager	Mrs A McQuinn ACMA

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

## **INTRODUCTION - OBJECTIVES AND ACTIVITIES**

The Trustees of **wmsnt (Holdings) Limited**, who are also the Directors of the Company, present their annual report and the audited financial statements for the year ended 31 March 2014, and confirm they comply with the requirements of the Companies Act 2006, the Charities Act 2011 and the Charities SORP 2005.

**wmsnt (Holdings) Limited** was incorporated originally as **West Midlands Special Needs Transport Limited** in 1988. On 10<sup>th</sup> May 2013, the members of **West Midlands Special Needs Transport Limited** changed its name to **wmsnt (Holdings) Limited**. Its main objective is the promotion of any charitable purpose for the benefit of the community and in particular the advancement of education and the relief of poverty, sickness, old age and distress through the provision of transport advice and assistance.

The principal activity of the **wmsnt** Group of companies is to provide accessible transport services for people in the West Midlands who experience mobility impairment or social isolation in urban and rural environments. This is achieved primarily through the provision of the *Ring and Ride*, door-to-door, minibus service, and through specific operations under contract to Transport and Local Authorities, the NHS and other charities.

On the formation of the **wmsnt** Group, **West Midlands Special Needs Transport** transferred the respective staff and operating assets to the new linked Charities which now operate the services and provide the following benefits:

- **Ring and Ride West Midlands Limited** provides a door-to-door, fully accessible bus service, the purpose of which is to improve the quality of life of people of all ages living in the West Midlands who find it difficult or impossible to use conventional public transport;
- **wmsnt (Accessible Transport Services) Limited** provides special education needs transport services to local authorities, and tendered, subsidised community bus services to transport authorities.

As well as providing operational support to its linked charities, **wmsnt (Holdings)** provides assistance to external bodies requiring specialist training and advice to enable them to support people with disabilities and mobility impairment.

The Trustees reviewed the aims, objectives and future activities of the **wmsnt** Group during the year, having had regard to the Charity Commission's guidance on public benefit. As a result, the Board confirmed the Vision, Mission and Strategy statements as follows:

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

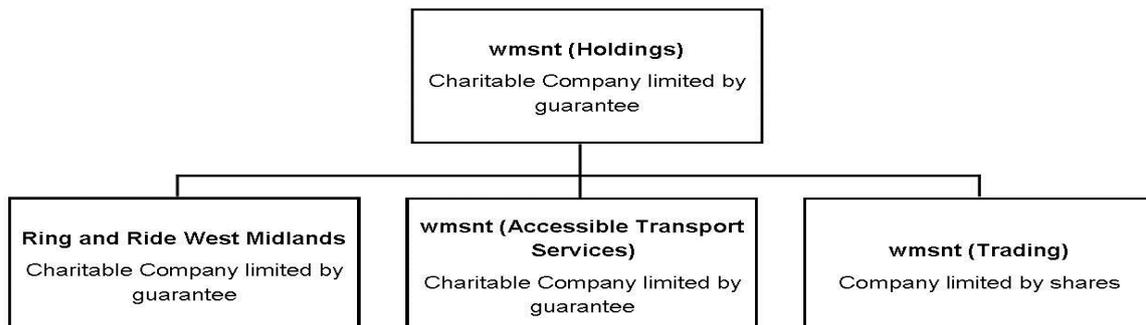
**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

- **Vision for the wmsnt Group.** *Accessible mobility for all.*
- **Mission for the wmsnt Group.** *To increase the social well-being of all who find it difficult or impossible to use conventional transport through being recognised as the providers of first choice in meeting their accessible transport needs.*
- **Strategic Statement for the wmsnt Group.** *To increase the availability of high quality and fully accessible transport through advocacy for the improvement of support to people with mobility issues, and by forming and maintaining partnering arrangements with appropriate organisations including transport and local authorities, health bodies, and passenger groups.*

## **2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

**wmsnt** (Holdings) is a company limited by guarantee and therefore does not have share capital. The liability of members is limited and details of their guarantee are shown in the notes to the accounts. **wmsnt** (Holdings) is governed by Articles of Association which were adopted in September 2010, and which were amended with the change of structure which was implemented on 1<sup>st</sup> April 2013. The structure of the **wmsnt Group** with effect from 1<sup>st</sup> April 2013 is as shown below:



**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

- **wmsnt (Holdings)** is the Group Holding company and holds all property assets; it provides the Head Office functions and management structure, and it delivers training and qualifications to the **wmsnt** Group's staff, and to external bodies which work for the benefit of people suffering social isolation.
- **Ring and Ride West Midlands** provides the *Ring and Ride* service in the seven metropolitan districts of the West Midlands: Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton.
- **wmsnt (Accessible Transport Services)** operates local authority contracts, primarily Special Education Transport contracts, health sector contracts and a number of tendered, subsidised Community Bus service contracts.
- **wmsnt (Trading)** (non-trading in 2013/14) intends to operate on a commercial basis tendering for contracts which fall outside of the charitable aims of the **wmsnt** Group. It will donate any profits generated through a 'gift aid' process to **wmsnt** (Holdings) for use to support the charitable benefits provided by the group.

During 2013, new Trustees were appointed to **wmsnt** (Holdings), Ring and Ride West Midlands, **wmsnt** (Accessible Transport Services) and **wmsnt** (Trading) following a recruitment campaign to find a diverse range of talented people with a variety of skills and experience; in total seven new Trustees were recruited to fill additional vacancies in the new structure of the **wmsnt** Group. New Trustees received an induction into the **wmsnt** Group before attending their first Board meeting. At each Annual General Meeting of the individual Charitable Companies, one third of the existing Trustees/Directors are required to submit themselves for re-election.

Two Trustees/Directors are appointed by **wmsnt** (Holdings) to be Trustees/Directors of Ring and Ride West Midlands, and they are also appointed as members holding a 51% proportion of the votes at Members' meetings. Three Trustees/Directors of the Board of Ring and Ride West Midlands are nominated by the West Midlands Integrated Transport Authority (WMITA) (from July 2014, by the Joint Committee, Centro Members) in proportion to the political composition of the WMITA (Joint Committee).

**wmsnt** (Holdings) is the sole Member of **wmsnt** (Accessible Transport Services), and is the sole shareholder of **wmsnt** (Trading).

The Trustees/Directors of each entity take responsibility for the strategic direction of the **wmsnt** Group and its component parts, and delegate the day to day running of the operational outputs to the Chief Executive and the Senior Management Team. The Trustees/Directors of each of the entities of the Group hold formal Board meetings six

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

times a year, which are supplemented by extraordinary meetings should the need arise. In addition, a Group Audit Committee has been established, the members of which are drawn from all of the entities of the Group. The Audit Committee directs the internal audits carried out by the Internal Auditor, and meets formally six times a year.

During the period 1<sup>st</sup> April 2013 to 31<sup>st</sup> March 2014, transport operations were run from eight depots across the metropolitan West Midlands, and one outstation. At each depot which provides a *Ring and Ride* service there is a management and administrative structure as well as a Booking Office to enable users to book travel. The Walsall depot was sold in February 2014 for £315,000, and the operations moved to the Wednesbury depot from which the Dudley and Sandwell services are operated.

Home to school accessible transport is provided for children with special educational needs and disabilities for a number of schools under contract to Birmingham City Council, Coventry City Council, Sandwell Metropolitan District Council, Wolverhampton City Council, Staffordshire County Council, Warwickshire County Council and Worcestershire County Council; this provision is overseen by a Contracts Manager, but most of the day to day management outside Birmingham is delegated to the **wmsnt** Group's respective District Managers who manage the depots from which the contracts operate. The **wmsnt** Group also operates a number of tendered, subsidised community bus services on behalf of Centro (WMITA) and Warwickshire County Council.

The **wmsnt** Group has a Head Office at Aston, Birmingham where Departmental Heads are located together with the HR, Finance and Training Departments.

### **3. TRUSTEES AND THEIR RESPONSIBILITIES**

#### **a. TRUSTEES**

Until 31<sup>st</sup> March 2013, **wmsnt** had single Board of Trustees comprising individuals recruited from various backgrounds. The new Board structure was implemented on 1<sup>st</sup> April 2013 as described above, and the Trustees who held office on the **wmsnt** (Holdings) Board during the year are set out on page 4 of the Report. All Trustees give their time voluntarily and gain no financial benefit.

#### **b. TRUSTEES' RESPONSIBILITIES**

Laws applicable to charitable companies in England and Wales require the trustees and directors to prepare financial statements for each financial year, which give a true and fair view of **wmsnt** Group's financial activities during the year, and of its financial position

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

at the end of the year. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and Statements of Recommended Practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 **wmsnt** Group of companies and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the **wmsnt** Group and therefore taking reasonable steps for the prevention and detection of fraud and other irregularities. In order to enable Trustees to perform their duties effectively, **wmsnt** has formed a Group Audit Committee. The Trustees have assessed the corporate and strategic risks facing **wmsnt**, reviewed the vision, mission and strategy of the Charity, and continued the strategic partnership with the ITA through having three members of the Authority on the Ring and Ride West Midlands' Board.

#### **4. FINANCIAL REVIEW**

The **wmsnt** Group's primary purpose is the **provision** of accessible transport for people who find it difficult or impossible to use conventional public transport. Whilst it actively co-operates with other organisations and service providers in pursuit of that aim, it is not engaged in making grants to third parties.

**i. Reserves Policy:** The Trustees have directed that the reserves be adequate to cover operational needs, that a minimum of £850,000 be held in respect of potential liabilities and that a minimum of £125,000 be held for specific contingency funds.

**ii. Investment Policy:** The Investment Policy is related to the Reserves Policy in that the Board has determined the form in which reserves should be held. As the prospects of a tangible return on investment through cash held in bank accounts

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

have continued to be very low, the Trustees determined that the maximum amount of reserves possible should be held in investment accounts which generate capital growth and interest (preferably accounts where the funds can be reasonably accessible). The main investment vehicles used by **wmsnt** are 'Common Investment Funds' which are approved schemes designed to meet the requirements of charitable bodies.

As an 'operational' organisation engaged in the provision of road passenger transport, the **wmsnt** Group shares many of the financial constraints and limitations which commercial organisations experience, with the key exception that it does not make provision for the payment of dividends or other forms of remuneration to investors, directors or shareholders. It does, however, need to ensure that it manages its finances in such a way as to maintain working capital and to provide an adequate cash flow.

The WMITA Grant provided to the *Ring and Ride* service was reduced from £11m (2012/13) to £10.5m for 2013/14, and throughout the period from September 2013 to February 2014, it was unclear what level of Grant would be payable for 2014/15. The Leaders of the seven metropolitan districts of the West Midlands, which all contribute to the Transport Levy paid to WMITA, required savings to be made on WMITA's discretionary spending, of which the Grant to the *Ring and Ride* service is a significant portion, in the years 2014/15 and 2015/16. After a significant campaign supported by the Pensioners' Convention, and the receipt of a 56,000 signature petition, the Leaders of the seven metropolitan districts agreed that a Grant of £8.5m should be allocated to Ring and Ride West Midlands for 2014/15. For future years, there are ongoing discussions on the quantum of the Grant, although there has been recognition for the need for a three year rolling budget, which is to be welcomed.

In 2013/14, neither charitable nor political contributions were made by the **wmsnt** Group, and it has previously not sought to fundraise other than in return for services provided. As a result, donations for 2013/14 form less than 0.01% of the **wmsnt** Group's income. However, as a result of the uncertainty of future Grant funding through the later part of 2013/14, and the subsequent significant reduction in the Grant for 2014/15, the **wmsnt** Group is now actively engaged in fund raising activities to gain additional funds.

The **wmsnt** Group has actively and successfully increased its contracting operations in support of communities suffering from social isolation, and for children who have special educational needs or disabilities. Any surplus generated from these operations is gifted to **wmsnt** (Holdings) for re-distribution to further the charitable aims of the **wmsnt** Group.

**wmsnt (Holdings) Limited  
(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

**5. Strategic Review - THE wmsnt GROUP DURING 2013/14**

**a. The wmsnt Group's involvement with other organisations and authorities.**

**wmsnt** endeavours to assist an element of the community which potentially forms 10-12% of the population (those with mobility problems) and therefore it interacts with many other community organisations, as well as statutory bodies.

The majority of **wmsnt**'s services are operated under the terms of Section 19 of the 1985 Transport Act (as amended), which necessitates the registration of Passengers and the advanced booking of journeys.

**wmsnt** has continued to expand its contracting activities in support of Local Authorities, predominantly for Special Educational Needs schools and tendered, subsidised community bus services. The 'Home to School' contracts provide **wmsnt** with additional resources and staff with which it is able to increase further the availability of transport for *Ring and Ride* passengers.

In addition to the formal/contractual relationships that **wmsnt** has with other agencies and authorities, it maintains on-going contacts with many other bodies and charities. **wmsnt** is a member of the Community Transport Association, of which the Chief Executive is a Trustee and Director. **wmsnt** is also a member of the West Midlands Community Transport Forum.

**wmsnt** places a great deal of importance upon the quality of its staff training, and has longstanding relationship with Bournville College in Birmingham, which supports **wmsnt**'s programme of National Vocational Qualification (NVQ) accreditation. The Chief Executive is also a Trustee of 'People 1st', the Passenger Transport Industry Sector Skills body.

**b. Operational Review of Activities during 2013/14**

The **wmsnt** Group's activities can be summarised in terms of:

- The *Ring and Ride* service;
- Accessible Transport Services;
- Training Services.

**wmsnt (Holdings) Limited  
(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

**i. The *Ring and Ride* Service**

The *Ring and Ride* service is the core activity which is delivered by Ring and Ride West Midlands, and it aims to improve the quality of life for the mobility-impaired people of the West Midlands. In the United Kingdom, there is no definitive existing standard of mobility for the population as a whole against which to judge the mobility levels enjoyed by disabled people as compared to the rest of the population.

The policies and operating practices of the *Ring and Ride* service are ultimately the responsibility of the Trustees and Management, but in order that it best services its beneficiaries, a number of systems exist to enable users to provide feedback and to discuss the policies and practices for the *Ring and Ride* service. These include:

- **District Advisory Groups.** Each operating area has its own group which meets every 3 months and is open to any registered User to attend, transport to the venue being provided. At these meetings, local *Ring and Ride* service Management provide Users with information on operational performance, discussions take place on questions and issues raised by Users, and news and information about the *Ring and Ride* service is provided to supplement the contents of Newsletters. Members of the respective local authorities are invited to attend, as are other interest groups who promote support to people with disabilities.
- **Telephone and Postal Surveys.** An on-going programme of telephone sampling takes place in all operating areas. *Ring and Ride* service staff telephone passengers who have recently used the service and obtain feedback on various aspects including staff attitudes, vehicle comfort and cleanliness, and booking system efficiency.
- **Presentations.** *Ring and Ride* service staff give presentations routinely and hold meetings with a variety of interest groups, in order to inform a wider body of the population, and to publicise the assistance that the service provides.

In order to deliver the *Ring and Ride* service, the objective for 2013/14 was to provide 132 fully accessible minibuses on the road throughout the West Midlands metropolitan area every day, operating from 8am to 11pm (apart from Christmas day). The level of Grant provided for 2013/14 enabled the purchase of 28 diesel hybrid vehicles equipped with kinetic energy recovery systems, which are designed to reduce fuel consumption.

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

**Ring and Ride service funding for 2013/14.** In addition to the Grant of £10.5m provided by the WMITA, a fare of 60p was maintained per single trip, as introduced in April 2011, although it is clear that the cost of the fare has, for many regular passengers, reduced the number of occasions on which they are able to travel each month, with obvious implications for their social, physical and mental wellbeing.

The *Ring and Ride* Service performance for 2013/14 was as follows:

• <b>Registered Users</b>	<b>68,030</b>
• <b>Active Registered Users</b>	<b>23,942<sup>1</sup></b>
• <b>Total Journeys Completed</b>	<b>1,286,349</b>
• <b>Daily Vehicle Resources</b>	<b>132 minibuses</b>
• <b>Total Distance Travelled</b>	<b>6,543,049 kilometres (4,065,662 miles)</b>

## **ii. Accessible Transport Service operations**

With effect from 1<sup>st</sup> April 2013, **wmsnt** (Accessible Transport Services) took responsibility for operating 245 Special Education transport routes employing its own fleet of accessible minibuses through contracts with three local authorities: Birmingham City Council; Sandwell Metropolitan Borough Council; and Wolverhampton City Council. During the year, the Company increased its portfolio to 310 routes, including 21 new routes for Coventry City Council and, following a tendering process with Birmingham City Council, it won a further 27 routes which commenced operation at the end of April 2014.

Some of the vehicles, together with their drivers, provided additional resources between the morning and afternoon school journeys to supplement the *Ring and Ride* fleet. This enabled the provision of extra *Ring and Ride* trips in those respective Local Authority areas. Additionally, **wmsnt** Accessible Transport Services provided transport services under contract for other statutory bodies including social and health care. **wmsnt** Accessible Transport Services also increased its operation of tendered, subsidised Community Bus Service routes on contracts with Centro to 30, with a further 11 Community Bus Service routes on contract with Warwickshire County Council; these are operated under the terms of Section 22 of the 1985 Transport Act (as amended) using 44 single deck buses.

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<sup>1</sup> Passengers who have used the service regularly in the 12 months covered by the Annual Report.

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

Accessible Transport Service performance for 2013/14 was as follows:

- **Total Journeys Completed**           **1,725,356**
- **Total Distance Travelled**           **5,226,507 kilometres (3,247,600 miles)**

**iii. Training Services.**

**wmsnt** has continued to run internal training, ranging from induction courses for all newly appointed staff, refresher training for all driving staff which is carried out at three yearly intervals, to first aid, Health and Safety, customer care and fire marshal training. In addition, the Training Department provided a significant amount of training support to Local Authorities, including disability awareness and customer service training for taxi drivers, training to schools and community transport organisations, as well as training for the guides for the Birmingham City Council's schools contracts.

The Training Department has continued to assess driving staff working in all areas of the organisation for NVQs at level 2 in Road Passenger Vehicle Driving, and during 2013/14, a total of 42 driving staff achieved an NVQ, so that a total of 593 of the current driving staff have achieved this qualification. In addition, a total of 78 administrative staff and schedulers have achieved an NVQ level 2 in Operational Support in the Bus and Coach Industry. The NVQ process has been delivered through a partnering agreement with Bournville College in Birmingham, and the success of the relationship was recognised at the end of 2013 when **wmsnt** (Holdings) was presented with the College's Employer of the Year Award.

During 2013, the Training Department achieved accreditation to deliver Certificate of Professional Competence (CPC) training for bus and coach drivers. In addition to running courses for **wmsnt** (Accessible Transport Services) bus drivers, the Training Department has also delivered CPC training modules for external organisations.

**c. Risk Management.**

The Trustees have examined the major strategic and operational risks which the **wmsnt** Group faces and confirm that robust and consistent systems have been established across the **wmsnt** Group to enable the regular identification, assessment, response and assurance of risks; ensuring they are managed down to acceptable levels in order to achieve **wmsnt**'s objectives for all its users and sponsors.

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

During 2013/14, the **wmsnt** Group has continued to employ an enterprise wide risk management framework, based on best practice principles from ISO 31000. As a result, **wmsnt** has reviewed and updated:

- A comprehensive set of operational risk registers for each major business activity, which has been linked to both operational and strategic objectives. These risk registers have focused on both financial and non-financial risk exposures;
- Maintained a consistent risk assessment approach across the **wmsnt** Group, based on the likelihood of occurrence of each risk, combined with its possible impact, should the risk occur at both strategic and operational level. Risk reviews are now being re-assessed on a half-yearly basis and;
- Confirmed the level of residual risk (net risk after the application of controls and responses) that **wmsnt** is willing to accept. This assessment shows that the **wmsnt** Group has a very low level of tolerance of internal risks, especially those in relation to passengers' and staff health and safety, service delivery and in financial management.

Internal Audit has independently and objectively evaluated the Risk Management maturity of the **wmsnt** Group using the Chartered Institute of Internal Auditing risk maturity classification model. It has confirmed that **wmsnt** has continued to achieve the 'Risk Defined' level of Risk Management maturity, and the Trustees are therefore able to provide the assurance that, despite the challenging economic environment, **wmsnt** is well positioned to meet the risks, which could threaten the efficient and effective delivery of its services in order to meet stakeholders' needs. The greatest immediate risk facing the **wmsnt** Group is the level of funding to be awarded by WMITA for the provision of the Ring and Ride service for 2015/16 (and beyond), and the timing of the agreement as to the quantum of the funding for 2015/16.

**d. wmsnt's Planning Process for 2014/15.**

The uncertainty until February 2014 over the quantum of the WMITA Grant to support the *Ring and Ride* service for 2014/15 required the Trustees of **wmsnt** (Holdings) to re-appraise their reliance on WMITA funding, and to direct that a series of scenario based plans to be drawn up to cope with potential (and more significant) reductions in the Grant than the final decision ultimately required. The Trustees were able to confirm that, based on the decision by the District Leaders to reduce the WMITA Grant for 2014/15 by 20% (to a Grant of £8.5m) there would be a pre-specified reduction to the *Ring and Ride*

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

service; there would no longer be a service on Sundays or on most Bank Holidays; the number of mainline *Ring and Ride* service vehicles would be reduced; and reluctantly, the Trustees agreed to raise the fare per journey to £1.

**Plans for future periods.** In order for it to operate, the *Ring and Ride* service is currently reliant on Grant funding from WMITA. The intent of the **wmsnt** Group is to become more self-sufficient in terms of funding its outputs, specifically in respect of the *Ring and Ride* service. The plan for the next five years is to expand the number of contracts for Special Education Transport and tendered, subsidised Community Bus services in the wider West Midlands region, and for its Trading arm to generate an increasing surplus through undertaking appropriate transport and other trading activities. It is also proposed to seek alternative (grant) funding from regional, national and European sources as deemed appropriate by the Trustees.

**e. Employees.**

As 31 March 2014, the **wmsnt** Group had 797 paid employees (462 on full-time and 335 on part-time employment contracts respectively) compared to 755 posts at 1 April 2013. This increase was as a result of winning additional contracts for 'home to school' transport for children with special educational needs and as well as the award of a number of new community bus routes. No volunteers work in **wmsnt** Group currently.

At the end of March 2014, 87 staff employed by Ring and Ride West Midlands faced the risk of redundancy as a result of the reduction in the WMITA Grant; however, the number finally made redundant was reduced significantly as a result the opportunity of those at risk of redundancy to take up part-time employment in **wmsnt** (Accessible Transport Services) following a further increase in the number of 'home to school' transport contracts won in April 2014.

**wmsnt (Holdings) Limited  
(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

***Employees by Grade***

The actual number of staff by grade employed by the **wmsnt** Group on 31<sup>st</sup> March 2014 was:

Management	17
Supervisory	32
Trainers	3
Schedulers	41
Administration	38
Drivers & Escorts	664
Apprentices	2
<b>Total</b>	<b><u>797</u></b>

**wmsnt** has a union recognition agreement with UNITE, and bi-monthly liaison meetings are held with elected shop stewards from the various operating centres. This body is responsible for negotiating conditions of employment including agreed Disciplinary and Grievance procedures, and liaising over Health and Safety issues.

**wmsnt** maintains an Equal Opportunities Policy, both in terms of its employees and the representation of Trustees/Directors of the Boards of **wmsnt** (Holdings) and its linked charities.

**wmsnt** has reviewed its access arrangements in order to ensure compliance with the provisions of the Equality Act and where appropriate has made reasonable adjustments to facilitate the employment of people with disabilities. The work **wmsnt** carries out involves contact with 'vulnerable' groups including children; because of this all employees undergo enhanced Disclosure and Barring Service (DBS) checks (previously CRB checks). **wmsnt** also acts as an umbrella body and undertakes DBS checks for external companies.

All new employees receive extensive induction training covering issues such as customer care and disability awareness, and programmes of refresher training are also in place. Following the induction training, all drivers are invited to undertake a ROSPA Driving Assessment. The importance and quality of the training provided is such that **wmsnt** has

**wmsnt (Holdings) Limited  
(A company limited by guarantee)**

**TRUSTEE'S REPORT (continued)**

**FOR THE YEAR ENDED 31 MARCH 2014**

been able to offer its training services to external bodies such as local authorities and other voluntary sector bodies, and participates fully with People 1<sup>st</sup> - the Sector Skills Council for the Passenger Transport Industry.

**f. Funds held as Custodian Trustee on behalf of others.**

No such funds are held.

**g. Public Benefit.**

The Trustees confirm that they have complied with their duty to have due regard to the guidance on Public Benefit in exercising their powers and duties.

**h. Declaration.**

The Trustees declare that there were no serious incidents or other matters relating to the **wmsnt** Group over the financial year that should have been brought to the attention of the Charity Commission but have not.

**Approved by the Board on 8th October 2014 and signed on its behalf by:**

**PJT Maggs  
Chief Executive**

**MG Kemp  
Chairman**

**wmsnt (Holdings) Limited  
(A company limited by guarantee)**

**INDEPENDENT AUDITORS REPORT**

**FOR THE YEAR ENDED 31 MARCH 2014**

**Independent Auditor's Report to the members of wmsnt (Holdings) Limited**

We have audited the financial statements of wmsnt (Holdings) Limited for the year ended 31 March 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Parent Charitable Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

***Respective responsibilities of trustees and auditors***

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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

***Scope of the audit of the financial statements***

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

**wmsnt (Holdings) Limited  
(A company limited by guarantee)**

**INDEPENDENT AUDITORS REPORT**

**FOR THE YEAR ENDED 31 MARCH 2014**

***Opinion on financial statements***

In our opinion

- the financial statements give a true and fair view of the state of the group's and the charitable parent company's affairs as at 31 March 2014 and of the group's 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 United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 2011.

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

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

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

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

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

William Devitt (Senior Statutory Auditor)  
for and on behalf of CHANTREY VELLACOTT DFK LLP  
Chartered Accountants and Statutory Auditor  
Birmingham

**Date:**

CHANTREY VELLACOTT DFK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(INCLUCING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Unrestricted Funds £	Restricted Funds £	2014 Total Funds £	2013 Total Funds £
<b>Incoming resources</b>					
Activities for generating funds:					
Investment income	4	45,457	-	45,457	48,379
Incoming resources from charitable activities:					
Grant income	10	10,500,000	-	10,500,000	11,000,000
Concessionary fares		508,412	-	508,412	236,025
Bus service operator's grant		602,819	-	602,819	553,043
Fares on vehicles		1,027,282	-	1,027,282	909,697
Contract income		6,682,396	-	6,682,396	5,598,670
Sundry income		6,007	-	6,007	1,322
Other incoming resources:					
Surplus/(deficit) on disposal of fixed assets		162,291	-	162,291	(16,532)
<b>Total incoming resources</b>		<u>19,534,664</u>	<u>-</u>	<u>19,534,664</u>	<u>18,330,604</u>
<b>Resources expended</b>					
Charitable activities:					
Provision of public transport services	6	19,687,719	64,265	19,751,984	18,480,526
Governance costs	8	29,319	-	29,319	25,849
<b>Total resources expended</b>		<u>19,717,038</u>	<u>64,265</u>	<u>19,781,303</u>	<u>18,506,375</u>
<b>Net outgoing resources before gains/(losses) on investments</b>	9	(182,374)	(64,265)	(246,639)	(175,771)
<b>Other recognised gains/(losses)</b>					
Realised gains on investments	15	17,203	-	17,203	-
Unrealised gains on investments	15	88,703	-	88,703	129,991
<b>Net movement in funds</b>		(76,468)	(64,265)	(140,733)	(45,780)
<b>Total funds at 1 April 2013</b>		<u>6,369,238</u>	<u>208,854</u>	<u>6,578,092</u>	<u>6,623,872</u>
<b>Total funds carried forward at 31 March 2014</b>	28	<u>6,292,770</u>	<u>144,589</u>	<u>6,437,359</u>	<u>6,578,092</u>

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 25 to 42 form part of these financial statements.

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**CONSOLIDATED BALANCE SHEET**  
**AT 31 MARCH 2014**

	Notes	2014 £	2013 £
<b>Fixed assets</b>			
Tangible	11	7,350,067	6,732,827
Investments	12	1	1
		<u>7,350,068</u>	<u>6,732,828</u>
<b>Current assets</b>			
Stocks	13	63,873	63,669
Debtors	14	2,336,800	1,992,733
Investments	15	908,689	1,002,783
Cash at bank and in hand		142,120	106,825
		<u>3,451,482</u>	<u>3,166,010</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>(2,684,399)</u>	<u>(1,773,031)</u>
<b>Net current assets</b>		<u>767,083</u>	<u>1,392,979</u>
<b>Total assets less current liabilities</b>		8,117,151	8,125,807
<b>Creditors: amounts falling due after more than one year</b>	17	(1,679,792)	(1,547,715)
<b>Net assets</b>		<u><u>6,437,359</u></u>	<u><u>6,578,092</u></u>
<b>Represented by:</b>			
Restricted funds	28	144,589	208,854
Unrestricted funds:			
Designated funds	28	6,292,770	6,323,065
General funds	28	-	46,173
		<u><u>6,437,359</u></u>	<u><u>6,578,092</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8th October 2014.

M G Kemp                      Chairman

R J Brooks                     Director

Company registration number: 02263123

The notes on pages 25 to 42 form part of these financial statements.

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**CHARITABLE COMPANY BALANCE SHEET**  
**AT 31 MARCH 2014**

	Notes	2014 £	2013 £
<b>Fixed assets</b>			
Tangible	11	3,320,550	6,732,827
Investments	12	1	1
		<u>3,320,551</u>	<u>6,732,828</u>
<b>Current assets</b>			
Stocks	13	8,605	63,669
Debtors	14	1,018,285	1,992,733
Investments	15	908,689	1,002,783
Cash at bank and in hand		27,323	106,825
		<u>1,962,902</u>	<u>3,166,010</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>(1,055,719)</u>	<u>(1,773,031)</u>
<b>Net current assets</b>		<u>907,183</u>	<u>1,392,979</u>
<b>Total assets less current liabilities</b>		4,227,734	8,125,807
<b>Creditors: amounts falling due after more than one year</b>	17	(1,160,577)	(1,547,715)
<b>Net assets</b>		<u>3,067,157</u>	<u>6,578,092</u>
<b>Represented by:</b>			
Restricted funds	28	-	208,854
Unrestricted funds:			
Designated funds	28	3,067,157	6,323,065
General funds	28	-	46,173
		<u>3,067,157</u>	<u>6,578,092</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8th October 2014.

M G Kemp                      Chairman

R J Brooks                     Director

Company registration number: 02263123

The notes on pages 25 to 42 form part of these financial statements.

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**GROUP CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2014 £	2013 £
<b>Net cash inflow from operating activities</b>	21	1,380,899	983,331
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets	(1,537,169)	(1,236,628)	
Proceeds from sales of tangible fixed assets	358,033	25,150	
Proceeds from sales of investments	200,000	-	
		<u>(979,136)</u>	<u>(1,211,478)</u>
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>		401,763	(228,147)
<b>Financing</b>			
Finance lease payments	(240,468)	(155,597)	
Loan repayments	(99,545)	(74,917)	
<b>Management of liquid resources</b>			
Interest received	45,457	48,379	
Interest paid	(71,912)	(54,124)	
		<u>(366,468)</u>	<u>(236,259)</u>
<b>Increase/(decrease) in cash</b>	22	<u>35,295</u>	<u>(464,406)</u>

The notes on pages 25 to 42 form part of these financial statements.

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

## **1. COMPANY STATUS**

The charitable company is limited by guarantee and does not have share capital. The members of the company are the trustees named on page 4. The liability of each member is limited and shall not exceed £1. Any surplus on winding up is to be donated to a charity whose objects are of a similar nature.

## **2. ACCOUNTING POLICIES**

### **Basis of accounting**

The financial statements comply in all material respects with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2005 and with applicable accounting standards. They are drawn up under the historical cost accounting rules, subject to investments being stated at market values. All operations are classed as continuing and no operations have been acquired during the current or previous year. However, as of 1 April 2014, certain operations were transferred to subsidiary companies.

### **Consolidation**

The financial statements of the company and its group undertakings have been consolidated to 31 March 2014 on a line by line basis. The Statement of Financial Activities of the company is not presented as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

### **Fund accounting**

The group maintains various types of funds as follows:

Designated funds represent amounts which have been put aside out of unrestricted funds at the discretion of the trustees for particular projects. The designation is for administrative purposes only and does not legally restrict the trustees' discretion to apply the fund.

Unrestricted funds represent unrestricted income, which is expendable at the discretion of the trustees in the furtherance of the objectives of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds represent amounts which have a specific capital purpose, for which they must be used. These funds are amortised over the useful life of the asset it has funded.

### **Incoming resources**

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

Fares on vehicles are recognised on a cash basis.

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

## **2. ACCOUNTING POLICIES (Continued)**

### **Revenue Grants**

The group provides accessible passenger transport services for those members of the community who have some form of mobility impairment. The cost of this service provision attracts specific revenue payments from Centro (The West Midlands integrated Transport Authority), since service specifications are in accordance with the policies of the West Midlands Integrated Transport Authority.

### **Concessionary fares**

The group participates in the Concessionary Travel arrangements operated by Centro and Warwickshire County Council. With regard to the Meridian Taxi Bus Service only, the group is reimbursed for the cost of providing travel facilities to concessionary pass holders, in accordance with an agreed formula.

### **Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of the resources.

### **Costs of activities in furtherance of the objects of the group, costs of managing and administering the group and governance costs**

Costs of activities in furtherance of the group's objects comprise expenditure directly relating to the objects of the group and other associated expenditure and support costs. Costs are either specifically identified or apportioned on an appropriate basis between costs of activities in furtherance of the objects of the group and costs of managing and administering the group. The group does not incur costs of generating funds.

Costs of managing and administering the group relate to expenditure incurred on the management of the group's assets and organisational administration.

Governance costs include costs primarily associated with the constitutional and statutory requirements of the group.

### **Tangible fixed assets and depreciation**

Tangible assets are stated at cost less depreciation. Vehicles are all subject to a Residual Value of 10% of cost, which is estimated to be their saleable value after their useful life. Items costing less than £500 are written off as an expense as acquired. Depreciation is provided on a straight-line basis to write off fixed assets over their estimated useful lives as follows:

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**2. ACCOUNTING POLICIES (Continued)**

Freehold buildings	50 years
Land is not depreciated	
Improvement of short leasehold premises	Length of lease
Buses:	
Ring and Ride fleet	5 years
Contract fleet	7 years
Computer equipment:	
Hardware	5 years
Software	1 to 5 years
Fixtures and fittings	5 years

**Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance leases are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all the benefits and risks of ownership are assumed by the group. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

**Pensions**

The group operates a defined contribution pension scheme and the pension charge represents the amount payable by the group to the funds in respect of the year. The assets of the scheme are held separately from those of the group in an independently administered fund.

**Stocks**

Stocks comprise fuel, oil, vehicle spares and equipment held at depots which have been valued at cost or written down to reflect obsolescence.

**Investments**

Listed investments are stated at closing middle market price immediately prior to the end of the financial year. All movements in value are shown in the Statement of Financial Activities.

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**3. EMPLOYEE INFORMATION**

None of the trustees, who are also directors of the charitable company, or persons related or connected by business to them, received any remuneration during the year.

During the year the total expenses reimbursed to the trustees amounted to £1,659 (2013: £1,346). This comprised reimbursed travelling expenses incurred in the management of the group's affairs. Director's Liability Insurance of £1,166 (2013: £1,166) was paid by the group.

Staff paid over £60,000 during the year were as follows:

	<b>2014</b>	<b>2013</b>
	<b>Number</b>	<b>Number</b>
Between £70,000 - £80,000	<u>1</u>	<u>1</u>

Pension contributions paid on behalf of the above employee totalled £4,181 for the year (2013: £4,197).

**Staff costs during the year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Wages and salaries	10,374,906	10,164,910
Social security costs	646,005	652,519
Pension costs	382,917	365,079
	11,403,828	11,182,508
	11,403,828	11,182,508

**Average number of persons employed**

	<b>2014</b>	<b>2013</b>
	<b>Number</b>	<b>Number</b>
Drivers/Escorts	628	608
Administration	87	95
Supervisory	36	36
Management	16	16
	767	755
	767	755

Included within the above are 298 part time employees (2013: 278)

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**4. INVESTMENT INCOME**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Interest on bank and term deposits	45,457	48,379
	<u>45,457</u>	<u>48,379</u>

**5. INTEREST PAYABLE**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Interest on finance leases and hire purchase contracts	38,824	19,018
Bank loan interest	32,952	35,106
	<u>71,776</u>	<u>54,124</u>

**6. PROVISION OF PUBLIC TRANSPORT SERVICES**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Employee costs	10,727,920	10,599,725
Vehicle costs	3,474,057	2,936,810
Fuel costs	2,119,231	1,840,965
Premises costs	781,724	705,846
Office and administration	467,590	369,063
Depreciation	1,179,156	1,094,767
Interest payable (note 5)	71,776	54,124
Management and administration of the charity (note 7)	930,530	879,226
	<u>19,751,984</u>	<u>18,480,526</u>

**7. MANAGEMENT AND ADMINISTRATION OF THE CHARITY**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Employee costs	877,567	818,452
Premises costs	29,354	37,150
General administration	23,609	23,624
	<u>930,530</u>	<u>879,226</u>

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**8. GOVERNANCE COSTS**

	<b>2014</b>	<b>2013</b>
	£	£
Employee costs	17,910	16,703
Auditor's remuneration	9,750	7,800
Trustees' expenses	1,659	1,346
	29,319	25,849
	29,319	25,849

**9. NET OUTGOING RESOURCES**

	<b>2014</b>	<b>2013</b>
	£	£
Net outgoing resources is stated after charging/(crediting):		
Depreciation – owned assets	1,012,463	950,552
Depreciation – assets held under hire purchase	166,693	144,215
(Profit)/loss on sale of fixed assets	(162,291)	16,532
Rentals under operating leases – land and buildings	522,073	457,695
Auditor's remuneration – audit fees	9,750	7,800

**10. INCOMING RESOURCES BY MAIN ACTIVITIES**

	<b>2014</b>				<b>2013</b>
	<b>Ring &amp; Ride and Single Vehicle Contracts £</b>	<b>Multiple Vehicle Contracts and Others £</b>	<b>Central £</b>	<b>Total £</b>	<b>Total £</b>
Centro grant income	10,500,000	-	-	10,500,000	11,000,000
Concessionary fares	-	508,412	-	508,412	236,025
Bus service grant	314,463	288,356	-	602,819	553,043
Fares income	789,387	237,895	-	1,027,282	909,697
Contract income	11,404	6,561,187	109,805	6,682,396	5,598,670
Interest received	338	-	62,322	62,660	48,379
Other income	801	(3,858)	171,355	168,298	(15,210)
	11,616,393	7,591,992	343,482	19,551,867	18,330,604
	11,616,393	7,591,992	343,482	19,551,867	18,330,604

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**11. TANGIBLE FIXED ASSETS**

**Group**

	<b>Freehold property £</b>	<b>Improvement of short leasehold premises £</b>	<b>Buses £</b>	<b>Computer equipment £</b>	<b>Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 April 2013	3,512,423	439,552	10,235,853	893,869	419,787	15,501,484
Additions	3,583	-	1,922,090	45,490	20,975	1,992,138
Disposals	(309,908)	-	(304,057)	-	-	(613,965)
At 31 March 2014	<u>3,206,098</u>	<u>439,552</u>	<u>11,853,886</u>	<u>939,359</u>	<u>440,762</u>	<u>16,879,657</u>
<b>Depreciation</b>						
At 1 April 2013	329,741	316,833	7,292,035	468,949	361,099	8,768,657
Charge for the year	44,248	27,594	961,453	120,332	25,529	1,179,156
Disposals	(162,608)	-	(255,615)	-	-	(418,223)
At 31 March 2014	<u>211,381</u>	<u>344,427</u>	<u>7,997,873</u>	<u>589,281</u>	<u>386,628</u>	<u>9,529,590</u>
<b>Net book value</b>						
At 31 March 2014	<u>2,994,717</u>	<u>95,125</u>	<u>3,856,013</u>	<u>350,078</u>	<u>54,134</u>	<u>7,350,067</u>
At 31 March 2013	<u>3,182,682</u>	<u>122,719</u>	<u>2,943,818</u>	<u>424,920</u>	<u>58,688</u>	<u>6,732,827</u>

Included within the cost of freehold property is land with a cost of £1,300,000 (2013: £1,300,000) which is not depreciated.

Included within buses are assets held under finance leases with net book value of £729,946 (2013: 441,670).

Included within computer equipment and fixtures and fittings are assets funded through the capital fund grant with an original cost of £401,648. The net book value of these assets at the year end was £144,589 (2013: £208,854).

The directors believe that all the group's assets are used either directly or indirectly for charitable purposes.

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**Charity**

	<b>Freehold property £</b>	<b>Improvement of short leasehold premises £</b>	<b>Buses £</b>	<b>Computer equipment £</b>	<b>Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 April 2013	3,512,423	439,552	10,235,853	893,869	419,787	15,501,484
Additions	3,583	-	7,107	12,300	16,003	38,993
Disposals	(309,908)	-	(10,127,819)	(410,184)	(26,834)	(10,874,745)
At 31 March 2014	<u>3,206,098</u>	<u>439,552</u>	<u>115,141</u>	<u>495,985</u>	<u>408,956</u>	<u>4,665,732</u>
<b>Depreciation</b>						
At 1 April 2013	329,741	316,833	7,292,035	468,949	361,099	8,768,657
Charge for the year	44,248	27,594	15,188	47,722	20,161	154,913
Disposals	(162,608)	-	(7,215,911)	(184,566)	(15,303)	(7,578,388)
At 31 March 2014	<u>211,381</u>	<u>344,427</u>	<u>91,312</u>	<u>332,105</u>	<u>365,957</u>	<u>1,345,182</u>
<b>Net book value</b>						
At 31 March 2014	<u>2,994,717</u>	<u>95,125</u>	<u>23,829</u>	<u>163,880</u>	<u>42,999</u>	<u>3,320,550</u>
At 31 March 2013	<u>3,182,682</u>	<u>122,719</u>	<u>2,943,818</u>	<u>424,920</u>	<u>58,688</u>	<u>6,732,827</u>

Included within the cost of freehold property is land with a cost of £1,300,000 (2013: £1,300,000) which is not depreciated.

The directors believe that all the company's assets are used either directly or indirectly for charitable purposes.

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**12. FIXED ASSET INVESTMENTS**

**Charity**

	<b>Investment in Subsidiaries £</b>
<b>Cost and Net Book Value</b>	
At 1 April 2013 and 31 March 2014	1

The investment in subsidiaries represents:

<b>Name</b>	<b>Holding</b>	<b>Company Type</b>	<b>Net Assets £</b>	<b>Share Capital £</b>
wmsnt (Trading) Limited	100%	Non-trading	1	1

The charitable company is also the parent company of two charitable subsidiary companies which are limited by guarantee.

<b>Name</b>	<b>Holding</b>	<b>Company Type</b>	<b>Net Assets £</b>	<b>Guarantee £</b>
Ring & Ride West Midlands Limited	Limited by guarantee	Provision of public transport services	2,224,828	1
wmsnt (Accessible Transport Services) Limited	Limited by guarantee	Provision of public transport services	1,145,374	1

Details of the transfers on the set up of the subsidiaries are detailed in note 29.

A summary of the results of the subsidiaries is set out below:

	<b>Ring &amp; Ride West Midlands Limited £</b>	<b>wmsnt (accessible Transport services) Limited £</b>	<b>Total £</b>
Incoming resources	14,280,257	8,737,366	23,017,623
Resources expended	(12,055,429)	(7,591,992)	(19,647,421)
Net incoming resources	2,224,828	1,145,374	3,370,202

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**13. STOCK**

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Fuel and other consumables	63,873	63,669	8,605	63,669
	<u>63,873</u>	<u>63,669</u>	<u>8,605</u>	<u>63,669</u>

**14. DEBTORS**

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Trade debtors	708,952	675,560	13,631	675,560
Other debtors	346,131	414,978	26,129	414,978
Prepayments and accrued income	1,281,717	902,195	807,684	902,195
Amounts due from group companies	-	-	170,841	-
	<u>2,336,800</u>	<u>1,992,733</u>	<u>1,018,285</u>	<u>1,992,733</u>

**15. CURRENT ASSET INVESTMENTS**

	Group and charity			Value at 31 March 2014 £
	Value at 1 April 2013 £	Additions /(Sales) in the year £	Change in market value £	
Investments in UK listed securities	4,491	-	1,451	5,942
Charity Common Investment Funds	998,292	(200,000)	104,455	902,747
	<u>1,002,783</u>	<u>(200,000)</u>	<u>105,906</u>	<u>908,689</u>

The UK listed securities investments comprise shares in banks and building societies acquired in 1998 as a result of free share issues.

The historical cost of investments in Charity Common Investment Funds as at 31 March 2014 was £802,352 (2013: £982,202).

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Trade creditors	1,916,220	523,362	877,755	523,362
Other taxes and social security	168,455	186,342	25,574	186,342
Net obligations under finance leases and hire purchase contracts (see note 18)	153,761	170,368	-	170,368
Bank loans (see note 18)	124,639	125,152	124,639	125,152
Accruals	321,324	767,807	27,751	767,807
	<u>2,684,399</u>	<u>1,773,031</u>	<u>1,055,719</u>	<u>1,773,031</u>

The net obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

The bank loans are secured over the industrial premises and land at Park Road.

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Net obligations under finance leases and hire purchase contracts (see note 18)	519,215	288,106	-	288,106
Bank loans (see note 18)	1,160,577	1,259,609	1,160,577	1,259,609
	<u>1,679,792</u>	<u>1,547,715</u>	<u>1,160,577</u>	<u>1,547,715</u>

The net obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

The bank loans are secured over the industrial premises and land at Park Road.

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**18. MATURITY OF BORROWINGS**

**Group**

As at 31 March 2014	<b>Bank loans</b> £	<b>Hire purchase and finance leases</b> £	<b>Total</b> £
In one year or less	124,639	153,761	278,400
Between one and two years	124,639	164,009	288,648
Between two and five years	373,917	355,206	729,123
After more than five years	662,021	-	662,021
	<u>1,285,216</u>	<u>672,976</u>	<u>1,958,192</u>

As at 31 March 2013	<b>Bank loans</b> £	<b>Hire purchase and finance leases</b> £	<b>Total</b> £
In one year or less	125,152	170,368	295,520
Between one and two years	125,152	70,137	195,289
Between two and five years	375,456	217,969	593,425
After more than five years	759,001	-	759,001
	<u>1,384,761</u>	<u>458,474</u>	<u>1,843,235</u>

**Charity**

As at 31 March 2014	<b>Bank loans</b> £	<b>Hire purchase and finance leases</b> £	<b>Total</b> £
In one year or less	124,639	-	124,639
Between one and two years	124,639	-	124,639
Between two and five years	373,917	-	373,917
After more than five years	662,021	-	662,021
	<u>1,285,216</u>	<u>-</u>	<u>1,285,216</u>

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

As at 31 March 2013	<b>Bank loans</b>	<b>Hire purchase and finance leases</b>	<b>Total</b>
	£	£	£
In one year or less	125,152	170,368	295,520
Between one and two years	125,152	70,137	195,289
Between two and five years	375,456	217,969	593,425
After more than five years	759,001	-	759,001
	<u>1,384,761</u>	<u>458,474</u>	<u>1,843,235</u>

**19. CAPITAL COMMITMENTS**

	<b>Group and charity 2014</b>	<b>2013</b>
	£	£
Capital commitments contracted for but not provided (in respect of vehicles)	-	1,057,203
	<u>-</u>	<u>1,057,203</u>

**20. FINANCIAL COMMITMENTS**

**Operating lease commitments**

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Group</b>		<b>Charity</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	£	£	£	£
Land and buildings:				
Expiring within two to five years	136,400	136,400	136,400	136,400
Expiring after five years	399,264	315,036	399,264	315,036
Motor vehicles:				
Expiring within two to five years	763,807	662,411	-	662,411
	<u>1,299,471</u>	<u>1,113,847</u>	<u>535,664</u>	<u>1,113,847</u>

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**21. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Net outgoing resources for the year	(246,639)	(175,771)
Interest receivable	(45,457)	(48,379)
Interest payable	71,912	54,124
	<hr/>	<hr/>
Operating deficit	(220,184)	(170,026)
Depreciation	1,179,156	1,094,767
(Surplus)/deficit on sale of fixed assets	(162,291)	16,532
(Increase)/decrease in stocks	(204)	33,922
(Increase)/decrease in debtors	(344,067)	(164,263)
Increase/(decrease) in creditors	928,489	172,399
	<hr/>	<hr/>
Net cash inflow from operating activities	<u>1,380,899</u>	<u>983,331</u>

**22. ANALYSIS OF NET DEBT**

	<b>2013</b>	<b>Cash flow</b>	<b>Other</b>	
	<b>£</b>	<b>2014</b>	<b>changes</b>	<b>2014</b>
		<b>£</b>	<b>2014</b>	<b>£</b>
			<b>£</b>	
Cash at bank and in hand	106,825	35,295	-	142,120
	<hr/>	<hr/>	<hr/>	<hr/>
	106,825	35,295	-	142,120
Current asset investments	1,002,783	(200,000)	105,906	908,689
Debt:				
Loan finance	(1,384,761)	99,545	-	(1,285,216)
Finance leases and hire purchase	(458,474)	240,468	(454,970)	(672,976)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net debt	<u>(733,627)</u>	<u>175,308</u>	<u>(349,064)</u>	<u>(907,383)</u>

**23. RECONCILIATION OF CASH FLOW TO MOVEMENT IN NET DEBT**

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Increase/(decrease) in cash in the year	35,295	(464,406)
Cash outflow from decrease in finance lease & hire purchase	240,468	155,597
Cash inflow from investment encashment	(200,000)	-
Cash outflow from decrease in loan finance	99,545	74,919
	<hr/>	<hr/>
Movement in net debt resulting from cash flows in the year	175,308	(233,890)
New finance lease and hire purchase agreements	(454,970)	(258,700)
Other non cash changes	105,906	129,991
	<hr/>	<hr/>
Movement in net debt in the year	(173,756)	(362,599)
Net debt at the start of the year	(733,627)	(371,027)
	<hr/>	<hr/>
	<b>(907,383)</b>	<b>(733,626)</b>
	<hr/> <hr/>	<hr/> <hr/>

The non cash transactions are in relation to investment movements of £105,906 (2013: £129,991).

#### **24. CONTROLLING PARTY**

There is no controlling party as defined by Financial Reporting Standard 8.

#### **25. RELATED PARTY TRANSACTIONS**

At the discretion of the Trustees, surpluses generated from **wmsnt** (Accessible Transport Services) operations may be gifted to **wmsnt** (Holdings) for re-distribution to further the charitable aims of the **wmsnt** Group, but taking into account the needs of **wmsnt** (Accessible Transport Services) to meet its operational objectives. During the year, the surplus generated by **wmsnt** (Accessible Transport Services) of £207,124 was gifted to **wmsnt** (Holdings) who then re-distributed this to Ring and Ride West Midlands.

#### **26. PENSION CONTRIBUTIONS**

The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £382,917 (2013: £365,079). There were no contributions payable to the fund at the year-end (2013: £nil).

#### **27. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	7,205,478	144,589	7,350,067
Investments	1	-	1
Current assets	3,451,482	-	3,451,482
Current liabilities	(2,684,399)	-	(2,684,399)
Long term liabilities	(1,679,792)	-	(1,679,792)
Total net assets at 31 March 2014	<u>6,292,770</u>	<u>144,589</u>	<u>6,437,359</u>

**28. FUNDS**

<b>Group</b>	<b>At 1 April 2013</b>	<b>Incoming Resources</b>	<b>Resources / Expended</b>	<b>Other gains (losses) or transfers</b>	<b>At 31 March 2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted funds	208,854	-	(64,265)	-	144,589
Unrestricted funds:					
General funds	46,173	19,534,664	(19,717,038)	136,201	-
Designated funds	6,323,065	-	-	(30,295)	6,292,770
Total net funds	<u>6,578,092</u>	<u>19,534,664</u>	<u>(19,781,303)</u>	<u>105,906</u>	<u>6,437,359</u>

**Restricted funds**

This relates to the Capital funding grant made by Centro for the purpose of PC tablets and fixtures regarding the CAB Transit project. To comply with SORP this must be treated as a restricted fund. This is being amortised over the life of the assets.

**Designated funds**

This relates to funds that have been put aside at the discretion of the Trustees and includes the tangible fixed assets required for delivering services, the working capital and contracting resource of the charity and also specific contingencies.

**wmsnt (Holdings) Limited**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**Charity**

	At 1 April 2013 £	Incoming Resources £	Resources / Expended £	Other gains (losses) or transfers £	At 31 March 2014 £
Restricted funds	208,854	-	(208,854)	-	-
Unrestricted funds:					
General funds	46,173	326,279	(3,734,266)	3,361,814	-
Designated funds	6,323,065	-	-	(3,255,908)	3,067,157
	-----	-----	-----	-----	-----
Total net funds	6,578,092	326,279	(3,943,120)	105,906	3,067,157
	=====	=====	=====	=====	=====

**Restricted funds**

This relates to the Capital funding grant made by Centro for the purpose of PC tablets and fixtures regarding the CAB Transit project. To comply with SORP this must be treated as a restricted fund. This is being amortised over the life of the assets.

**Designated funds**

This relates to funds that have been put aside at the discretion of the Trustees and includes the tangible fixed assets required for delivering services, the working capital and contracting resource of the charity and also specific contingencies.

**29. DONATED ASSETS**

On the formation of the **wmsnt** Group on 1<sup>st</sup> April 2013, the parent charity, **wmsnt** (Holdings) Limited, transferred the identifiable assets and liabilities and the operation of Accessible Transport Services to **wmsnt** (Accessible Transport Services) Limited and the identifiable assets and liabilities and the operation of the Ring and Ride service to Ring and Ride West Midlands Limited for £nil consideration. This was a one off donation resulting from the formation of the **wmsnt** Group on 1<sup>st</sup> April 2013.

The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred:

**wmsnt (Holdings) Limited**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2014**

	<b>Accessible Transport Services</b>	<b>Ring and Ride Service</b>	<b>Total Funds £000</b>
Tangible fixed assets			
Buses	845,436	2,066,471	2,911,907
Computer equipment	17,993	207,626	225,619
Fixtures & fittings	1,600	14,904	16,504
Stock	-	58,561	58,561
Debtors	764,890	780,391	1,545,281
Cash balances	-	-	-
Creditors within one year	(196,439)	(671,213)	(867,652)
Creditors over one year	(288,106)	-	(288,106)
<b>Net assets</b>	<b>1,145,374</b>	<b>2,456,740</b>	<b>3,602,114</b>