

COMPANY NO. 01970233
CHARITY NO. 293377

READIBUS
(A COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
31 MARCH 2021



READIBUS
(A COMPANY LIMITED BY GUARANTEE)
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FOR THE YEAR ENDED 31 MARCH 2021

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READIBUS
(A COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021

PRINCIPAL & REGISTERED OFFICE: Craddock Road
Reading
Berkshire
RG2 0JT

AUDITORS: Crowe U.K. LLP
Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

BANKERS: National Westminster Bank plc
Oracle Branch Unit L11
The Oracle Shopping Centre
Reading
RG1 2AG

READIBUS
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees, who are also Directors of the charity, submit their report together with the audited financial statements for the year ended 31 March 2021, and confirm that they comply with the requirements of the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE INFORMATION

ReadiBus is a charitable company limited by guarantee, company registration number 1970233, charity registration number 293377.

The company, not having a share capital, is limited by guarantee. Each member's liability is limited to an amount not exceeding £1 in the event of the company being wound up.

The present Trustees, and any past Trustees who served during the year, are given on page 7, together with the names of the senior executive staff. The principal place of business is stated on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The company is governed by its Memorandum and Articles of Association dated 11 December 1985, as amended on 17 December 1986, 27 June 1996, 26 June 2003 and 2nd March 2017.

Governing Body

The Board of Trustees is responsible for the overall governance of the Charity. Trustees are appointed by funding bodies (Reading Borough Council 5, West Berkshire Council 1, Wokingham Borough Council 1, Woodley Town Council 1, Earley Town Council 1); elected by the ReadiBus Association (6); elected by ReadiBus users (3); and appointed as co-optees (up to 4) or officers (2).

Recruitment and Training of Trustees

Potential Trustees are identified by members of the Governing Body and are considered against the Body's specifications concerning eligibility, competence, specialist skills and local availability. Induction and refresher training is offered to all trustees.

Organisational Management

Within the organisational structure, day-to-day decision-making is delegated to the staff, in particular the General Manager. The Board decides matters of policy.

The Governing Body meets 5 times a year. Much of the preparation for these meetings is undertaken by the briefing committee which meets before the Board meets. Other sub-committees include the policy group and the audit group. Both sub-committees report back to the Board.

The General Manager is responsible for the day-to-day management of the Charity's affairs and for implementing policies agreed by the Board of Trustees. The General Manager is assisted by a group of executives and senior managers.

Key Management Personnel Remuneration

The trustees consider the board of trustees and the broader staff management team including team leaders and operations controllers as comprising the key management personnel of the charity, having authority and responsibility for planning, directing and controlling the activities of the charity, directly or indirectly, on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 7 to the accounts.

The pay of the charity's key staff management personnel is reviewed annually. The Board's remuneration group (Chair, Hon Treasurer and Hon Secretary) reviews and compares remuneration to that in other similar non-profit or public sector organisations.

READIBUS

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REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Group Structure

ReadiBus has a wholly owned non-charitable subsidiary, ReadiBus Enterprises Limited, that is dormant.

Corporate Governance

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and the Board of Trustees.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- a strategic business plan and annual budget approved by the Trustees;
- regular consideration by the Trustees of financial results, revised forecasts, non-financial performance indicators and benchmarking reviews;
- delegation of day-to-day management authority and segregation of duties; and
- identification and management of risks.

Risk Management

The board has examined the principal area of the charity's operations and considered what major risks may arise in each of these areas. In the opinion of the Trustees the charity has established resources and review systems, which under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day-to-day operations.

Principal risks and uncertainties have been identified as UK or World economic factors (recession) or changes in social attitudes; potential changes in funding support from local authorities; appeal or donation activity that is unable to generate sufficient funds to finance the required capital expenditure programme; a major accident; and insufficient reserves to provide a buffer in a downturn.

Plans to mitigate these principal risks include building up the charity's reserves; deferring capital expenditure; and close management of cash-flow and budgeting.

In addition to the above, there is an additional risk at the present time posed by the impact of the Covid-19 pandemic. Whilst adequate contingencies are in place for the short-term impact, including government support-schemes, sound cash-flow and reserves, there are risks associated with the impact in the longer-term (>12 months). These risks include the impact on future revenue from a potential continued need to maintain distancing on journeys, restricting maximum bus capacity; and any potential impact on central government funding of local authorities that might affect future funding of ReadiBus. Management of these longer term risks will include a need to balance levels of service-provision accordingly in such scenarios.

Fund-raising

ReadiBus' fund-raising is principally from Trusts and Foundations as well as from statutory and government agencies. We also are fortunate to receive donations and occasional legacies from individuals, particularly from people who either use or have used the service and have wished to show their appreciation. ReadiBus does not engage in large scale fund-raising activities like mass mailings, telephone fund-raising or door-to-door campaigns. ReadiBus does not employ a professional fund-raiser nor engage the services of any third-party organisations to help raise funds. To this end, ReadiBus has not considered it necessary or appropriate to sign up to any regulatory code of fundraising practice. ReadiBus has not received any complaints about any aspect of its fund-raising. ReadiBus has a strong ethos of respect for service-users' independence and dignity and would not countenance any conduct or activities that undermined this.

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

OBJECTS, AIMS, OBJECTIVES & ACTIVITIES

Charitable Objects

The company's declared object is the provision of a scheme, for transport of elderly and temporarily or permanently disabled people within the Reading and surrounding area, with a view to providing them with a system that will cater for their individual purposes and needs. The company also provides disability training for local authorities and public service vehicle drivers, although this is not deemed as being a significant part of the company's activities, but just an extension of the company's main objective.

Strategic Aims and Intended Effect

ReadiBus aims to cater for a wide range of mobility and accessible transport needs, in particular to maintain the provision of dial-a-ride services to people with restricted mobility. It is committed to achieving the highest quality of service provision and to achieving continuous further improvement in that aim.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Objectives for the Year

This year's key objectives were to:

- Maintain service delivery throughout the period of the Covid-19 pandemic for people who need ReadiBus in order to make essential journeys
- Utilise government-assistance packages to mitigate the immediate financial impact of the Covid-19 pandemic
- Adjust service-delivery capacity in order to maintain viability while Covid-19 control measures that might impact revenue continue to remain in place
- Maintain quality of service levels
- Successfully achieve re-accreditation of the 'Safe & Sound' good governance award.

ReadiBus' achievement against its objectives is discussed under the heading of Achievements and Performance detailed below.

Strategies to Achieve the Year's Objectives

ReadiBus planned to achieve the maintenance of service delivery throughout the period of the Covid-19 pandemic by the introduction of comprehensive new procedures and cleaning regimes to keep the travelling environment as safe as possible. This included introducing social distancing on buses that had the consequence of reducing available capacity. Maintenance of safety and quality of service was planned to be achieved by comprehensive training and refresher training. Re-accreditation of the 'Safe & Sound' good governance award was planned to be achieved by assessment.

Use of Volunteers

In normal times, user volunteers support networking events and assist with promotion and representation and a volunteer driver assists in providing the football supporters' service. The contribution of volunteers alongside that of paid staff is of great value. These networking events and the football service did not take place during the pandemic.

READIBUS

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REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational Performance

- Over 25,000 safe essential journeys were provided during the year for people with restricted mobility, many of whom were 'clinically extremely vulnerable'.
- The Readibus service enabled people throughout the year of the pandemic, including on every day during each of the lockdowns, to safely attend medical appointments including at GP surgeries and at hospitals; to do their own essential food shopping; and to make any other essential journeys that needed to be made, such as for respite or for vulnerable special needs pupils to attend school.
- Many hundreds of welfare calls were also made to check on people known to be on their own.
- Re-accreditation for the 'Safe & Sound' good governance award was successfully achieved.
- There have been no other significant changes in the year.

Public Benefit

The Trustees consider that the activities carried out by Readibus during the past year illustrate that they have provided considerable benefit to the public as summarised above.

The Trustees have therefore complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Statement of Financial Activities set out on page 13, shows that income has increased by 4% and that expenditure has decreased by 18%. There was an overall net inflow for the year of £252,262 before the exceptional pension credit (2020: outflow £8,808). After investment in replacement buses and IT equipment, free reserves after contracted financial commitments were £142,530 (2020: £69,817).

The continued uncertainties in the year - caused by the pandemic; by the renewal timescale of the contract arrangement with Readibus' primary funder; by the potential significant pension liability for council staff who transferred to Readibus with the contract in 2018; and by the slow evolution of the market for suitable vehicles that comply with the forthcoming environmental requirements regarding vehicle emissions - has meant that investment decisions (such as in replacement buses) have again been deferred. Investment funds have been carried forward to the following financial year when outcomes will be clearer and capital investment decisions will therefore be better informed. This as it happens has also put Readibus in a stronger position to deal with the impact of the Covid-19 pandemic, in addition to the utilisation of the pandemic support schemes of local and national government, which have contributed immensely to on-going viability as a going-concern and the potential to re-build in the aftermath of the pandemic. The Directors consider the utilisation of the pandemic support schemes of local and national government as justified as the concessionary fare income support scheme in Reading and Wokingham supported the essential service provision that was delivered throughout the pandemic, enabling clinically extremely vulnerable people to safely travel for essential purposes such as to access appointments; and the CJRS supported the cost of staff on furlough.

Readibus is extremely grateful to its funders, particularly Reading Borough Council, without whom the service would not exist. Without its funders, Readibus would not have the capacity to meet its objectives. Local authority funders and supporters in 2020/21 have been:

Reading Borough Council
Wokingham Borough Council
Woodley Town Council
West Berkshire Council
Earley Town Council
Goring Parish Council
Sonning Parish Council

READIBUS

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REPORT OF THE DIRECTORS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (CONTINUED)

ReadiBus has also been supported in 2020/2021 by a number of companies and organisations in cash or in kind and by a number of individuals too numerous to mention all.

To everyone who has contributed to ReadiBus over the last year and to the Directors, staff and volunteers of ReadiBus, a big thank you and we hope that you continue to provide your help, support and enthusiasm into the coming year.

Reserves Policy

The amount of total funds held by the charity at the end of the reporting period was £831,920 (2020: £366,658).

The amount of funds which are restricted and not available for general purposes of the charity at the end of the reporting period were £14,885 (2020: £10,320).

Designated funds are £640,000 (2020: £420,000) with the view that the value of the fund should equate to the approximate cost of eight new buses in order to maintain the current fleet size based on anticipated vehicle life, due to the deferral in recent years of new bus replacement.

ReadiBus needs free reserves to enable it to fulfil its charitable obligations and commitments that it enters into. The charity also requires reserves to ensure continuance of these obligations in the short-term in the eventuality of any unexpected revenue shortfall.

Free reserves are defined by the Charity Commission as unrestricted funds available to spend on the general purposes of the Charity and therefore excluding those designated for particular purposes and those already utilised in purchasing tangible fixed assets. Free reserves should not be mistaken for cash reserves.

After adjusting unrestricted funds for functional fixed assets and designations, free reserves before and after contracted financial commitments stood at £142,530 (2020: £69,817). Free reserves represent approximately 12% of annual turnover (or approximately 53 days of running costs).

Trustees have been concerned to significantly increase ReadiBus' resilience to uncertainties by significantly increasing reserves in the short-term to ensure viability as a going-concern in whatever scenario emerges post-pandemic and post-contract re-tendering. Any capital investment must be for the long-term so capital investment will continue to be deferred until circumstances are clearer, particularly relating to the powering of future vehicles. ReadiBus' current policy for the current year is therefore to aim for free reserves of at least 12 months' normal running costs, at least until such time as normal operating conditions return. The Trustees believe that the reserves should be held consistent with the charity's overall financial position and its need to maintain and develop its charitable objectives.

FUTURE PLANS

Whilst the company's key objectives for the future remain the same as that described above, the Directors, together with the General Manager, have a rolling strategic plan that is updated annually. Plans for the coming year include:

- To re-build viable service capacity after the pandemic has passed and for when conditions return to something resembling the previous normal
- To introduce a programme of trips to help facilitate people who have been shielding during the pandemic to go out again for pleasure purposes
- To continue to provide a safe means for people with restricted mobility to attend hospital appointments in addition to the previous pre-pandemic range of activities and purposes of use of the ReadiBus service.

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REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

FUTURE PLANS (CONTINUED)

- To dispose of the three oldest vehicles in the fleet.
- To improve vehicle emissions by introducing a programme of replacing older vehicles with cleaner-powered new vehicles

Our plans for the future also include the usual range of fund-raising events and activities.

Going Concern Basis

In their assessment of going concern the trustees have considered the current and potential future impact on the charity as a result of the COVID19 pandemic. This has had a significant impact on the charity's operations and will continue to do so for quite some time. The requirement for the maintenance of 'distancing' on journeys for example is likely to continue for some time, which reduces capacity; and the need for longer time windows for each journey to allow for additional intensive cleaning regimes and procedures will also continue to be needed to keep vulnerable passengers safe. The trustees have updated their annual budgets and forecasts based on current estimates of the impact of the current crisis and undertaken actions, such as applying to government assistance support packages and checking that there are sufficient revenue streams, cash-flow and reserves, in order to ensure that they have sufficient facilities in place to meet their operating cash requirements for the foreseeable future.

Having regard to the above, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

DIRECTORS

The directors during the year were as follows:-

Chair: Prof S Bowlby

Other Associate

Directors: Mr D Dennett (resigned 28 July 2020)
Mr P Etherington-Smith
Prof R Gurney
Mr B Wedge
Mr R Williams

Local Authority

Appointments: Cllr Mohammed Ayub (Reading Borough Council)
Cllr J Beck (West Berkshire County Council)
Cllr G Grandison (Wokingham Borough Council)
Cllr G Khan (Reading Borough Council)
Cllr J MacNaught (Woodley Town Council) (died October 2020)
Cllr T Maher (Earley Town Council (appointed 4 September 2020)
Cllr R Williams (Reading Borough Council)

Other Co-options: Mr R Duveen

Honorary Secretary: Mr T Bottomley

Honorary Treasurer: Mr D Dennett (resigned 28 July 2020)

READIBUS
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REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Key Staff Management Mr P Absolon – General Manager

Personnel: Mrs K Chapman
 Mrs T Chapman
 Mr S Hermes
 Mr T Husbands
 Mrs E Johnson
 Mrs H Wightwick

PROVISION OF INFORMATION TO AUDITORS

Insofar as each of the directors of the charity at the date of approval of this report is aware there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware.

Each director has taken all of the steps that they should have taken as a director in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

AUDITORS

The Auditors, Crowe U.K. LLP will be proposed in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Trustee Body of Readibus on 16 SEPTEMBER 2021 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



S Bowlby
Director

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2021

The Trustees (who are also directors of Readibus for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READIBUS

Opinion

We have audited the financial statements of Readibus for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READIBUS (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate and proper accounting records have not been kept; or
- the 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.
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READIBUS (CONTINUED)

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context were Charity Commission legislation, health and safety legislation, General Data Protection Regulation (GDPR), employment legislation and Company Law.


Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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. 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 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 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.



Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading

Date: 20.9.21

READIBUS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and legacies					
Donations and legacies		13,316	5,000	18,316	11,601
Income from charitable activities					
Bus fare and contract work income	2	873,731	-	873,731	990,164
Grants receivable for bus services	3	93,878	-	93,878	140,067
Other trading activities					
Training service fee income		400	-	400	3,196
Income from investment		210	-	210	726
Other income	5	20,427	-	20,427	28,152
Government Grant - CJRS		<u>227,603</u>	<u>-</u>	<u>227,603</u>	<u>10,120</u>
TOTAL INCOME		<u>1,229,565</u>	<u>5,000</u>	<u>1,234,565</u>	<u>1,184,026</u>
Expenditure on:					
Expenditure on charitable activities					
Provision of bus services	6a	<u>981,868</u>	<u>435</u>	<u>982,303</u>	<u>1,192,834</u>
TOTAL EXPENDITURE		<u>981,868</u>	<u>435</u>	<u>982,303</u>	<u>1,192,834</u>
Exceptional pension credit		213,000	-	213,000	-
Net income/ (expenditure)	4	460,697	4,565	465,262	(8,808)
Actuarial gains/(losses) on defined benefit pension schemes	15	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,000</u>
NET MOVEMENT IN FUNDS		460,697	4,565	465,262	67,192
<i>Funds at 1 April 2020</i>		<u>356,338</u>	<u>10,320</u>	<u>366,658</u>	<u>299,466</u>
FUNDS AT 31 MARCH 2021	14	<u>817,035</u>	<u>14,885</u>	<u>831,920</u>	<u>366,658</u>

The notes on pages 16 to 29 form part of these financial statements

READIBUS
 (A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
31 MARCH 2021
COMPANY NUMBER: 01970233

	Notes	£	2021 £	2020 £
FIXED ASSETS				
Tangible assets	8		34,505	79,521
Investments	9		<u>2</u>	<u>2</u>
			34,507	79,523
CURRENT ASSETS				
Debtors	10	97,263		126,653
Cash at bank and in hand		<u>740,244</u>		<u>416,035</u>
		837,507		542,688
CREDITORS: amounts falling due within one year	11	<u>(40,094)</u>		<u>(42,553)</u>
NET CURRENT ASSETS			<u>797,413</u>	<u>500,135</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			831,920	579,658
PENSION LIABILITY	15		-	(213,000)
NET ASSETS			<u>£ 831,920</u>	<u>£ 366,658</u>
FUNDS				
Restricted	13		14,885	10,320
Unrestricted - General			177,035	149,338
- Pension reserve	15		-	(213,000)
- Designated	12		<u>640,000</u>	<u>420,000</u>
TOTAL FUNDS	14		<u>£ 831,920</u>	<u>£ 366,658</u>

Approved and authorised for issue by the Board of Directors on 16.9.21
 and signed on its behalf by:-

S Bowlby
 Director



The notes on pages 16 to 29 form part of these financial statements

READIBUS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash generated by operating activities (see below):	321,835	96,021
Cash flows from investing activities		
Interest income	210	726
Proceeds from sales of fixed assets	-	5,250
Purchase of fixed assets	<u>(401)</u>	<u>(3,113)</u>
	(191)	2,863
Change in cash and cash equivalents at the end of the year	<u>321,644</u>	<u>98,884</u>
Reconciliation of net cash flow to movement in net funds/debt		
Net funds at 1 April 2020	414,346	315,462
Increase in cash in the year	<u>321,644</u>	<u>98,884</u>
Net funds at 31 March 2021	<u>735,990</u>	<u>414,346</u>
Analysis of cash and cash equivalents		
Cash in hand	740,244	416,035
Bank overdraft	<u>(4,254)</u>	<u>(1,689)</u>
Total cash and cash equivalents at end of the year	<u>735,990</u>	<u>414,346</u>
Reconciliation of cash flows from operating activities		
Net movement in funds	465,262	67,192
Defined benefit pension movements	(213,000)	(65,000)
Depreciation and amortisation	45,417	68,197
Profit on disposal of fixed assets	-	(5,250)
Decrease in debtors	29,390	54,777
(Decrease) in creditors	(5,024)	(23,169)
Interest income	<u>(210)</u>	<u>(726)</u>
Net cash provided by operating activities	<u>321,835</u>	<u>96,021</u>

The notes on pages 16 to 29 form part of these financial statements

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

a) Charity information

ReadiBus is registered as a company limited by guarantee (without share capital) incorporated in the UK with its registered office at Craddock Road, Reading, Berkshire. RG2 0JT. Its principal activity is the provision of a scheme, for transport of the elderly and temporarily or permanently disabled people within the Reading and surrounding area, with a view to providing them with a system that will cater for their individual purposes and needs.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. ReadiBus meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note (s).

Going Concern

In their assessment of going concern the trustees have considered the current and developing impact on the charity as a result of the COVID19 pandemic. This has had a significant, immediate impact on the charity's operations, requiring the maintenance of 'distancing' on journeys which reduces capacity; and the need for longer time windows for each journey to allow for additional intensive cleaning regimes and procedures; and at the present time, it is not clear how long the current circumstances are likely to last and what the long term impact will be. The trustees have updated their annual budgets and forecasts based on current estimates of the impact of the current crisis and undertaken actions, such as applying to government assistance support packages and checking that there are sufficient revenue streams, cash-flow and reserves, in order to ensure that they have sufficient facilities in place to meet their operating cash requirements for the foreseeable future.

The Directors have considered and were of the belief during the year that the LGPS liability is RBC's liability. However, the Directors also had to consider and make provision during the year for the potential circumstance in which RBC does not verify that this is its liability. The Directors therefore have considered the impact of this liability on future cash flows and believe that though undesirable such a situation would be and the significant impact that it would have, it could if necessary be funded from the charity's funds currently designated for bus replacement and so would not adversely impact ReadiBus' current viability as a going concern. Directors have therefore been satisfied throughout the year of the going-concern basis of the charity even in this circumstance. Since the end of the financial year, RBC has verified that this is its liability and so this provision has been reversed.

Having regard to the above, the trustees believe it is appropriate to adopt the Going Concern basis of accounting in preparing the financial statements.

c) Income recognition policies

Income from donations and special efforts are recorded on a receipts basis. Grant income is included when the related condition for legal entitlement to the grant has been met. Contract income is included when the relevant performance conditions within the contract have been met. All other income is recorded on a receivable basis.

READIBUS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

The CJRS (Coronavirus Job Retention Scheme) grant is accounted for under the performance model as permitted by the Charity SORP. CJRS income is therefore recognised on a straight line basis over the furlough period for each relevant employee.

d) Funds

General fund:

These are funds which can be used in accordance with the charitable objects at the discretion of the directors.

Designated fund:

It is the view of the Trustees that the value of this fund should equate to the approximate cost of six new buses in order to maintain the current fleet size based on anticipated vehicle life.

Restricted fund:

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund. For more detail on this fund please see note 13.

e) Expenditure

Expenditure is recognised in the Statement of Financial Activities (SOFA) as incurred. Expenditure on charitable activities relates to the provision of the bus service and training. Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charities' activities. These costs are apportioned to the applicable expenditure headings as set out in note 6c.

f) Depreciation and capitalisation of tangible fixed assets

Fixed assets are depreciated over their expected useful economic lives as follows:-

Buses	- 20 - 50% straight line
Office equipment	- 25% straight line
Fixtures and fittings	- 25% straight line

Contributions towards the cost of fixed assets are included as income whilst the gross cost of fixed assets are capitalised. Items under £500 are not capitalised.

g) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

i) Operating leases

Rentals payable under operating leases are allocated to the SOFA on a straight-line basis over the life of the lease.

j) Legal status

ReadiBus is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

l) Pension costs

The company operates a defined contribution pension scheme. The charge in the SOFA is the amount of contributions payable to the pension scheme in respect of the accounting year.

Until part way through the year the charity also participated in the Local Government Pension Scheme for one staff member transferred from RBC. The LGPS is a funded scheme and the assets are held separately from those of the charity in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

m) Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to make judgements and estimates. The Trustees consider that there are no material judgements.

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2. BUS FARE AND CONTRACT WORK INCOME

	2021 £	2020 £
Dial-a-Ride Contract- Reading Borough Council	450,000	525,000
Bus fare income	279,799	293,519
Other Contract income	<u>143,932</u>	<u>171,645</u>
	<u>£ 873,731</u>	<u>£ 990,164</u>

3. GRANTS

Wokingham Borough Council	65,000	65,000
West Berkshire Council	6,567	27,269
Woodley Town Council	19,211	18,761
Wokingham Town Council	-	3,000
Winnersh Parish Council	-	2,250
Shinfield Parish Council	-	2,000
Wargrave Parish Council	-	2,000
Earley Town Council	1,500	1,500
Goring Parish Council	350	700
Berkshire Community Foundation	-	10,000
Falklands Surgery	<u>1,250</u>	<u>7,587</u>
	<u>£ 93,878</u>	<u>£ 140,067</u>

4. NET INCOME/(EXPENDITURE)

	2021 £	2020 £
Is stated after charging:		
Depreciation of tangible assets	45,417	68,197
Auditors' remuneration (excluding VAT)	9,650	9,350
Rentals payable under operating leases	<u>59,614</u>	<u>59,609</u>

5. OTHER INCOME

Fuel duty rebate	20,427	22,902
Profit on disposal of fixed assets	<u>-</u>	<u>5,250</u>
	<u>£ 20,427</u>	<u>£ 28,152</u>

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6a) PROVISION OF BUS SERVICES COSTS

	2021 £	2020 £
Staff costs	563,437	663,814
Depreciation	45,417	68,196
Other operating expenditure (6b)	138,771	226,045
Support costs (6c)	<u>234,678</u>	<u>234,779</u>
	<u>£ 982,303</u>	<u>£1,192,834</u>

6b) OTHER OPERATING EXPENDITURE

Transport running costs	83,403	161,530
Insurance	53,399	60,462
Telephone	1,802	1,862
Staff recruitment	-	1,041
Staff training	20	451
Uniform	147	351
Training service costs	<u>-</u>	<u>348</u>
	<u>£ 138,771</u>	<u>£ 226,045</u>

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6c) SUPPORT COSTS

	2021 £	2020 £
Staff costs	88,073	93,949
Rent and rates	64,192	65,155
Light and heat	7,115	5,712
Repairs and maintenance	5,146	7,092
Printing, postage and stationery	1,945	1,698
Software and office expenses	17,565	14,233
Subscriptions	611	480
Equipment rental	254	248
Miscellaneous	1,831	3,921
Bank charges	769	1,007
Motor and travel expenses	127	101
Room hire and meeting expenses	-	288
Professional fees	25,525	20,038
Governance costs staff	9,786	10,439
Governance costs other	11,739	10,418
	<u>£ 234,678</u>	<u>£ 234,779</u>

7. STAFF COSTS

Wages and salaries	600,381	691,146
Social security costs	34,996	41,693
Pension costs	25,919	35,363
	<u>£ 661,296</u>	<u>£ 768,202</u>

	No.	No.
The average number of employees during the year:		
Full time	13	15
Part time	26	29
Casual time	11	13
	<u>50</u>	<u>57</u>

During the year none of the Trustees received any remuneration. None of the Trustees received reimbursed expenses (2020: £NIL) and no expenses were waived in the year by trustees and senior management. No employee earned more than £60,000 per annum.

The trustees consider the board of trustees, the General Manager and the broader staff management team including team leaders and operations controllers as comprising the key management personnel of the charity. The total number of benefits of the key management personnel of the charity were £213,200 (2020: £211,751).

During the current and prior year there were no redundancy payments made.

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8. TANGIBLE FIXED ASSETS

	Buses £	Office equipment £	Fixtures and fittings £	Total £
COST:				
At 1 April 2020	961,529	152,917	111,290	1,225,736
Additions	-	401	-	401
Disposals	-	-	-	-
At 31 March 2021	<u>961,529</u>	<u>153,318</u>	<u>111,290</u>	<u>1,226,137</u>
DEPRECIATION:				
At 1 April 2020	885,523	149,402	111,290	1,146,215
Charge for the year	43,981	1,436	-	45,417
Disposals	-	-	-	-
At 31 March 2021	<u>929,504</u>	<u>150,838</u>	<u>111,290</u>	<u>1,191,632</u>
NET BOOK VALUES:				
At 31 March 2021	<u>£ 32,025</u>	<u>£ 2,480</u>	<u>£ -</u>	<u>£ 34,505</u>
At 31 March 2020	<u>£ 76,006</u>	<u>£ 3,515</u>	<u>£ -</u>	<u>£ 79,521</u>

All fixed assets are employed directly in furtherance of the charity's objects, or in support thereof.

9. INVESTMENTS

	2021 £	2020 £
Unquoted investments	<u>£ 2</u>	<u>£ 2</u>

The £2 investment represents the cost of the charity's investment in Readibus Enterprises Limited; it's wholly owned dormant subsidiary company. The registered office is Craddock Road, Reading, Berkshire. RG2 0JT (Registered number 03263878).

10. DEBTORS

	2021 £	2020 £
Trade debtors	32,649	51,277
Other debtors	24,332	25,205
Prepayments and accrued income	<u>40,282</u>	<u>50,171</u>
	<u>£ 97,263</u>	<u>£ 126,653</u>

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Bank overdraft	4,254	1,689
Trade creditors	5,894	9,626
Other taxes and social security	10,870	11,412
Other creditors	3,001	3,844
Accruals and deferred income	16,075	15,982
	<u>£ 40,094</u>	<u>£ 42,553</u>

12. DESIGNATED FUNDS

	1 April 2020 £	New designations £	Utilised/ (released) £	31 March 2021 £
Bus Replacement Fund	£ 360,000	£ 280,000	£ -	£ 640,000
Licensing Compliance Fund	£ 60,000	£ -	£ (60,000)	£ -
	<u>£ 420,000</u>	<u>£ 280,000</u>	<u>£ (60,000)</u>	<u>£ 640,000</u>

Bus Replacement Fund

It is the view of the Trustees that the value of the bus replacement fund should equate to the approximate cost of eight new buses in order to maintain the current fleet size based on anticipated vehicle life.

The intention is that each year new buses will be purchased from this fund.

Licensing Compliance Fund

The Licensing Compliance Fund was been set up to meet training costs for relevant staff to obtain any new driver licensing requirements should it be necessary. This fund is no longer required as Readibus has an exemption from the new requirements.

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13. RESTRICTED FUNDS

2021

	1 April 2020 £	Income £	Expenditure £	31 March 2021 £
Bus and associated equipment appeal	1,000	5,000	-	6,000
Positive Image campaign	1,100	-	(435)	665
CCTV	8,220	-	-	8,220
Total	£ 10,320	£ 5,000	£ (435)	£ 14,885

2020

	1 April 2019 £	Income £	Expenditure £	31 March 2020 £
Bus and associated equipment appeal	500	500	-	1,000
Positive Image campaign	1,100	-	-	1,100
CCTV	5,000	3,220	-	8,220
Total	£ 6,600	£ 3,720	£ -	£ 10,320

14. ANALYSIS OF NET ASSETS

Fund balances at 31 March 2021 are represented by:-

	Unrestricted General Funds £	Designated Funds £	Restricted Funds £	Total funds £
Tangible fixed assets	34,505	-	-	34,505
Investments	2	-	-	2
Current assets	182,622	640,000	14,885	837,507
Current liabilities	(40,094)	-	-	(40,094)
	£ 177,035	£ 640,000	£ 14,885	£ 831,920

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14. ANALYSIS OF NET ASSETS (continued)

Fund balances at 31 March 2020 are represented by:-

	<i>Unrestricted</i>		<i>Restricted</i>	<i>Total</i>
	<i>General</i>	<i>Designated</i>	<i>Funds</i>	<i>funds</i>
	<i>Funds</i>	<i>Funds</i>	<i>Funds</i>	<i>funds</i>
	£	£	£	£
<i>Tangible fixed assets</i>	79,521	-	-	79,521
<i>Investments</i>	2	-	-	2
<i>Current assets</i>	112,368	420,000	10,320	542,688
<i>Current liabilities</i>	(42,553)	-	-	(42,553)
<i>Pension reserve</i>	(213,000)	-	-	(213,000)
	<u>£ (63,662)</u>	<u>£ 420,000</u>	<u>£ 10,320</u>	<u>£ 366,658</u>

15. PENSION COSTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in a separately administered fund. The pension cost represents contributions payable by the charity to the fund and amounted to £25,919 (2020: £28,363). There were no amounts outstanding at the year end.

Local Government Pension Scheme

The company also participated in the Royal County of Berkshire Pension Fund (the "Fund") which provides pension benefits in accordance with the Local Government Pension Scheme Regulations 2013 for one part-time employee TUPE'd to Readibus on integration of RBC's adult social care transport service in June 2018. The LGPS scheme is a defined benefit scheme.

During the current year, the last remaining employee in the scheme retired triggering an exit event. A cessation report has been received from the actuary resulting in a final liability of £21k which has been settled by Reading Borough Council (RBC). The report was prepared on the assumption that RBC will subsume all remaining liabilities in the scheme, which has now been confirmed.

As Readibus have now exited the pension scheme, the previous £213k liability which existed at 31 March 2020, and which was accounted for in accordance with the provisions of FRS102, has been reversed. The reversal has been shown as a separate line on the face of the Statement of Financial Activities.

All of the following narrative relates to the prior year comparatives:

Accounting standards require the charity to provide the following information in relation to the general assumptions used by the actuary to determine the pension liability in accordance with FRS102. The assumptions used are not specific to Readibus, or to the one active employee remaining in the scheme at the Balance Sheet date.

The principal assumptions used in calculating the FRS 102 valuations are as follows:

	2020	2019
Rate of increase in salaries	2.85%	4.10%
Rate of increase in pensions in payment	1.85%	2.60%
Discount rate	2.35%	2.45%

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15. PENSION COSTS (CONTINUED)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement ages 65 are:

Retiring today		
Females	24.1	24.0
Males	21.5	21.4
Retiring in 20 years		
Females	25.5	25.4
Males	22.9	22.8

The estimated asset allocation for Readibus as at 31 March 2020 is as follows:

	2020 £000	2019 £000
Equities	180	174
Other bonds	30	45
Property	44	46
Cash	38	27
Target return portfolio	13	16
Commodities	2	2
Infrastructure	26	31
Longevity insurance	(14)	(14)
Total market value of assets	319	327

The total return on the fund assets for the year to 31 March 2020 is (£5,000).

Amounts recognised in the Statement of financial activities are as follows

	2020 £ 000
Current service cost	7
Interest on the defined liability	7
Total	14

Movements in the present value of defined benefit obligations were as follows:

	2020 £ 000
Opening	605
Current and past service cost, including curtailments	7
Interest cost	15
Change in financial assumptions	(89)
Estimated benefits paid net of transfers in	(7)
Contributions from scheme members	1
Closing	532

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15. PENSION COSTS (CONTINUED)

Movements in the fair value of assets were as follows:

	2020 £ 000
Opening	327
Interest on assets	8
Return on assets less interest	(13)
Actuarial gains/(losses)	1
Estimated benefits paid plus unfunded net of transfers in	(7)
Contributions by employer	3
Contributions from scheme members	1
Closing	319

16. OPERATING LEASE COMMITMENTS

At 31 March 2021 the company had future minimum lease payments under non-cancellable operating leases as follows:-

	Land and Buildings		Other	
	2021	2020	2021	2020
	£	£	£	£
Less than 1 year	59,360	59,360	-	-
Between 2 and 5 years	9,893	69,253	-	-
	<u>£ 69,253</u>	<u>£ 128,613</u>	<u>£ -</u>	<u>£ -</u>

17. FINANCIAL COMMITMENTS

At 31 March 2021 the charity had no contracted financial commitments (2020: £NIL).

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

18. FINANCIAL INSTRUMENTS

	2021 £	2020 £
Basic financial assets measured at amortised cost	794,881	490,431
Basic financial liabilities measured at amortised cost	29,224	31,141
Basic financial assets measured at fair value	<u>2</u>	<u>2</u>

Basic financial assets measured at amortised cost are all cash in hand and debtors minus prepayments and VAT debtor.

Basic financial liabilities measured at amortised cost are all creditors minus other taxes and social security and deferred income.

Basic financial assets measured at fair value are investments.

The entity's income, expense, gains and losses in respect of financial instruments are summarised below:

	2021 £	2020 £
Total interest income for basic financial assets	<u>210</u>	<u>726</u>

19. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year (2020: £NIL)

READIBUS

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

20. COMPARATIVE SOFA

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2020 £</i>
<i>Income and endowments from:</i>			
<i>Donations and legacies</i>			
<i>Donations and legacies</i>	7,881	3,720	11,601
<i>Income from charitable activities</i>			
<i>Bus fare and contract work income</i>	990,164	-	990,164
<i>Grants receivable for bus services</i>	140,067	-	140,067
<i>Other trading activities</i>			
<i>Training service fee income</i>	3,196	-	3,196
<i>Income from investment</i>	726	-	726
<i>Other income</i>	<u>38,272</u>	<u>-</u>	<u>38,272</u>
TOTAL INCOME	<u>1,180,306</u>	<u>3,720</u>	<u>1,184,026</u>
<i>Expenditure on:</i>			
<i>Expenditure on charitable activities</i>			
<i>Provision of bus services</i>	<u>1,192,834</u>	<u>-</u>	<u>1,192,834</u>
TOTAL EXPENDITURE	<u>1,192,834</u>	<u>-</u>	<u>1,192,834</u>
<i>Net income/ (expenditure)</i>	(12,528)	3,720	(8,808)
<i>Introduction of pension liability</i>	-	-	-
<i>Actuarial gains/(losses) on defined benefit pension schemes</i>	<u>76,000</u>	<u>-</u>	<u>76,000</u>
NET MOVEMENT IN FUNDS	63,472	3,720	67,192
<i>Funds at 1 April 2019</i>	<u>292,866</u>	<u>6,600</u>	<u>299,466</u>
FUNDS AT 31 MARCH 2020	<u>356,338</u>	<u>10,320</u>	<u>366,658</u>