HANDICABS (LOTHIAN) LIMITED
(A company limited by guarantee)

Report and Financial Statements

Year ended 31 March 2026

Company No : SC079712
Scottish Charity No : SC013906

HANDICABS (LOTHIAN) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

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HANDICABS (LOTHIAN) LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST MARCH 2026

The Directors, who are also trustees for the purpose of charity law, are pleased to present their annual report together with the financial statements of the Charity for the year ended 31st March 2026.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

OBJECTIVES AND ACTIVITIES

Purposes

The purpose for which the Company is established shall be wholly and exclusively charitable.

In particular, the purposes of the Company shall be:

- To provide transport for disabled people who are resident within the Lothian Region;
- To provide community bus services within areas where none, little or commercial services are not viable for disabled, ill, disadvantaged and the general public to improve quality of life;
- In particular, HcL is established for the public benefit for the following object: to provide transport for disabled, ill and/or disadvantaged people and for health and life saving purposes.

The aim of our services is to reduce social isolation of people with mobility challenges across the Lothians, whether that be from age, disability, health issues (short-term or long-term) or geographic remoteness. By supporting people to get out and about from inside their home to inside their destination, we know that we are enabling people to get out who otherwise could not.

Activities

HcL is a charitable company that was set up in 1982 as Handicabs (Lothian) to provide accessible transport for people with mobility challenges in Edinburgh and the Lothians.

The Charity plays an important role in meeting a number of national and local policy objectives. The Scottish Government has defined a number of national priority outcomes, through the National Performance Framework of which the following are particularly relevant to the work of the Charity:

- Our people are able to maintain their independence as they get older and are able to access appropriate support when they need it;
- We have tackled the significant inequalities in Scottish society;
- We live in well-designed, sustainable places where we are able to access the amenities and services we need.

There is great value in the preventative aspect of the Charity's work; the value for mental health and health generally for people able to still be involved in their communities and their ability to do things for themselves and maintain a social life.

There would be significant additional costs to public agencies should additional services need to be provided for housebound passengers. Effective services must be designed with and for people with communities not delivered "top down" for administrative convenience. The Charity, with its tradition of user influence is well placed in this respect.

HcL aims to provide a quality of service which goes above and beyond, providing door-to-door transport by providing a "through-the-door" service, ensuring that our passengers receive the assistance they need at the start and end of their journey. This may be assisting people with getting their coat on or ensuring that they are settled safely in their home after the journey. The profile of our passengers indicates a high level of mobility difficulty, with some 23.4% of our Dial-A-Ride passengers using a wheelchair. Many of our passengers rely on our service and cannot use buses or taxis. Our service is a particular lifeline to medical services, our trip data indicates that 26.7% of trips are health-related, and a further 0.81% for respite care.

By providing quality transport, our customers are able to be involved in the community by attending church, colleges, day centres, support groups, shopping centres, theatres, socialising etc and in doing so it enables family members and carers to have a much-needed break. Our emphasis on quality of service extends to offering a 365 day a year service, evenings and weekends subject to driver availability. (For example, late night trips from the Edinburgh Tattoo are popular requests we receive and meet each year).

In addition, the Charity operates a Dial-A-Bus service on behalf of The City of Edinburgh, West Lothian, Midlothian and East Lothian Councils. Dial-A-Bus provides a Monday to Friday shopping service to local major shopping centres for people who have difficulty shopping using public transport. Passengers are helped in and out of their homes, to and from the bus, and helped to get their shopping inside on return if needed. 2.4% of passengers use wheelchairs. All areas of the Lothians have at least one and often two routes available during the week, either morning or afternoon. Edinburgh accounted for 38.3% of Dial-A-Bus passenger trips, West Lothian 35.1%, Midlothian 24.2% and East Lothian 2.4%.

The Charity also operates transport to day centres and adult learning centres on behalf of The City of Edinburgh Council, and Section 22 Operators Licence community bus routes in West Lothian.

With the growth in population in the Lothians, more and more people will have the need for quality accessible transport. We also play a key role in contributing to the quality of life for vulnerable groups.

HcL's customer base is any person who is restricted from using public services due to mobility reasons. These include isolated adults living in the community, people with mental health issues, disabilities, the elderly and people with ill health. In addition, HcL has secondary clients such as carers, daughters and sons of people with mobility restrictions who benefit through the provision of services to the person they care for. HcL has identified its source of referrals which include the Health Sector, Community Nursing Staff, GP Practices, Health Centre Staff, Hospitals, Social Work, Home Helps, Home Care Organisations, Good Neighbourhood Networks and Libraries etc. All these areas are included in our mailing list for distribution of our leaflets.

Please see comments from HcL's users below from questionnaires sent out in 2025 emphasising the difference door-through-door services make to the lives of people who might not otherwise be able to leave their homes:

Dial-A- Ride

- 'The service is very efficient; without it I would be stuck to get out. Plus, the drivers are very professional and so are the receptionists.'
- 'Drivers give excellent care, service and attention and deserve a merit.'
- 'Chris and his team do everything they can to help you.'
- ' I would like to thank the staff at HcL for their kindness and friendliness. Both the office staff and the drivers go out of their way to enable me to get from A to B. only negative is having to book far in advance.'
- 'I think the service is fantastic, but they need more buses as demand is high. I really rely on them. Lovely call handlers too.'
- 'We really value Dial a Ride as otherwise we would be reliant on taxis, and these can be stressful if driver doesn't have experience and compassion. We are disappointed when you have no space.'

Route 68

- 'Can't think of any improvement. I've found this to be a friendly and welcoming bus service. Your drivers are always helpful. Thank you.'
- 'My husband and I are pleased with the service you give, long may it last. Thank you for your service on the 68 bus.
- 'I am quite happy with this service; all the drivers are all very helpful, they are a credit to your company. Long may this service run.
- 'This bus is my lifeline, otherwise I would not get my shopping. Drivers are all great, especially Mark and Andy. In December a bus on a Sunday would be nice.'
- 'The 68 is perfect as it is, very reliable, friendly helpful drivers.'

Route 69

- 'We are both 87 and 90 years old and been a boost to get about.'
- 'Find the service extremely useful as I can no longer walk up and down the hill.'
- 'I now speak to more of my neighbours than before.'
- 'I am able to travel independently to Portobello- aquafit, craft group.'
- 'Drivers are very good and cheerful and help us if and when needed. Thank you.'
- 'The drivers are wonderful, very happy and polite every time I am on the bus. Also, I am 84 and it saves me climbing the hills.'
- 'For myself I find it perfect as efficient and helpful.'

Volunteers

HcL continues to be grateful for the efforts of volunteers across all aspects of the service, management and administration. In particular, we acknowledge the Board members who volunteer their time as Trustees, responsible for the governance, financial and strategic direction of the Charity.

Achievements & Performance

The Charity operated 31 fully accessible vehicles during 2025/2026 providing door-through-door transport services 7 days a week including evenings. These services support people with mobility challenges across Edinburgh and the Lothians by providing the assistance needed at the start and end of a journey.

Summary of Achievements

1. All Dial-A-Buses throughout the Lothians accept concessionary bus passes;

2. During the year from 1 April 2025 to 31 March 2026, we provided transport for over 137,000 people, up 4,250 on last year;

3. Successfully tendered for Community bus routes in Lady Nairne (route 68) & Clermiston (route 69) in Edinburgh, through Public Contracts Scotland;

4. HcL is proud to continue to be a member of the Scottish Living Wage;

5. Signed Service Level Agreements with The City of Edinburgh Council until March 2027;

6. Rolled over yearly Service Level Agreements with West Lothian, Midlothian and East Lothian Councils 2026- 2027;

7. Reviewed and updated our Staff Conditions of Service with the assistance of Unite the Union and staff;

8. Reviewed and updated Executive Policies;

9. Maintained and improved Dial-A-Ride and Dial-A-Bus services – re-trained Despatchers on booking and scheduling software;

10. Raised profile of the Charity through the regular updating of the website, Facebook and Twitter; refreshed and updated leaflets; supported local charities and organisations; sought PR opportunities with several magazines and newspapers etc; published by-yearly newsletter;

11. Over 30 applications submitted to funders;

12. Purchased one community bus & one Dial-A-Ride bus;

13. Developed new services which enhance mobility;

14. Active members of forums: Edinburgh Community Transport Operators Group (ECTOG); Lothian Community Transport Services; Pilton Equality Project; South Edinburgh Amenities Group and the DOVE Centre; Community Transport Association; West Lothian Volunteer Network; West Lothian Senior Peoples Forum; Edinburgh Older Peoples Forum; Edinburgh Wellbeing Pact; Midlothian Older Peoples Forum; Volunteer Centre East Lothian Third Sector Forum; Community Scotland Electric Vehicles Forum and West Lothian Bus Alliance;

15. Ongoing development of stakeholder relationships and ways we can work with The City of Edinburgh Council; West Lothian Council; Midlothian Council and East Lothian Council. New services include school transport for children with complex health needs, adult day centres and community bus services;

16. Member of ECO stars which enables us to monitor our carbon footprint yearly. Drivers are trained in fuel efficient driving;

17. Successfully retendered for the Broxburn & Uphall Town Service through Public Contracts Scotland;

18. Engaged with funders to fully understand their policy priorities and to communicate effectively the contribution that HcL makes in meeting these policies;

19. Partnership working – collaborated with partner organisations in the public, voluntary or private sectors where this advances our strategic aims;

20. Monitoring and evaluation of our services – both statistically and qualitatively e.g. seeking feedback from passengers, members and stakeholders;

21. HcL is a member of Dementia Friends Scotland and is part of a social action movement to increase awareness of dementia and to address the stigma experienced by many people living with the illness.

SEAG merger

HcL and South Edinburgh Amenities Group (SEAG) Community Transport Organisations completed a merger on 1 April 2026. We will rebrand the name and livery during 2027/2028.

A transfer agreement was drawn up between HcL and SEAG to include the transfer of the business assets, including contracts, staff (TUPE), vehicles, operational data and records and cash reserves.

A Novation agreement was signed by City of Edinburgh Council, HcL and SEAG transferring grants awarded to SEAG from the City of Edinbutgh Council to HcL from 1 April 2026.

Funding

We are grateful to all supporters – from members and customers who have made donations; and from the Funders, Trusts, Charitable Organisations and Local Groups who have supported us this year.

Financial Review

Results

The Charity generated income of £2.29m (2025: £2.16m). The Directors are indebted to The City of Edinburgh Council, East Lothian, Midlothian and West Lothian Councils and the Scottish Government for the financial support they give both towards the operating costs of the Company and towards the funding of new vehicles.

Expenditure for the year was £2.12m (2025: £2.01m)

The net movement in funds, including actuarial gains/(losses) in defined pension scheme was a surplus of £23k (2025: £57k).

Reserves Policy

At the year-end the charity had net assets of £1,489,835 (2025: £1,466,417), comprising of £189,797 (2025: £218,172) of restricted funds and £290,012 (2025: £377,956) designated funds and £1,010,026 (2025: £870,289) of general funds.

The Directors are of the opinion that an acceptable level of free reserves is 13 weeks of expenditure; based on expenditure levels this would represent c£530,000. The current free reserves of the charity, being non-designated, not tied up in tangible fixed assets are £306,524.

If reserves fall below 13 weeks expenditure, or are forecast to do so, the board will review the budgets and financial forecasts and take measures as necessary to increase income or reduce expenditure.

Investment Policy

The Directors, having regard to the liquidity requirements of the charity, have kept available funds in an investment portfolio which is managed by Evelyn Partners, investment managers, on an advisory basis. The objective is one of a balanced portfolio subject to a medium degree of risk. There are no specific investment restrictions or limitations applied to the portfolio.

Risk Review

The Directors conduct an ongoing review of the major risks to which the Charity is exposed, and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the Charity. These procedures are periodically reviewed to ensure that they still meet the needs of the Charity.

The main risks to the Charity are:

- **Reduction in funding** – the Councils may reduce funding they currently provide to the Charity. HcL have implemented additional transport services for The City of Edinburgh Council and West Lothian Council. The Charity will continue to effectively communicate with all Councils at a political and officer level. A 5-year business strategy has been written to include these points. We employ a part-time Funding and Marketing Manager to source and secure additional funding from Trusts and Grants giving organisations. A Service Development Manager is also employed to help develop new partnerships and sources of income.

  A member of staff trained to deliver all staff training in-house reduced external training costs.

- **Dial-A-Ride/Dial-A-Bus demand declines** – as part of the 5-year business plan, the Dial-A-Bus in Edinburgh, West Lothian, Midlothian and East Lothian are now operating under a Section 22 Operators Licence. This will enable our users to travel free using their National Entitlement pass, this will encourage more passengers to use the service. The Charity has also implemented new booking procedures; re-trained Despatchers and will use any down time to support Council projects. We have developed new services, Dial-A-Ride offers a discount of up to £7.25 off a first trip.

- **Vehicle fleet becomes unreliable** – the Fundraising and Publicity Committee continually apply for grants and donations for new vehicles. The Charity is keen to implement a rolling programme for upgrading their vehicles, as the fleet is currently aging. The Charity aim is to source low mileage vehicles to reduce replacement costs as well as seeking funding for electric/low emission vehicles to improve sustainability and reduce operating costs.

- **Board not strong enough** – we have reviewed and implemented a 5-year strategy; one of the recommendations of the Board was to authorise the Chief Executive to carry out an organisational review with the support of the Cranfield Trust – to develop key performance indicators based on strategy outcomes; ongoing governance training for Executive Members; encourage more people to become members of HcL; review and update our image, including corporate branding. Increased efficiency, through minimising vehicle and administrative overheads and exploiting new technology fully.

- **Disruption following SEAG merger** – we continue to maintain clear and regular communication with service users, day centres and key stakeholders regarding any operational pressures or potential disruptions. We are deploying staff and vehicles flexibly across depots to maintain service continuity and minimise cancellations. We are holding regular operational planning meetings to review service delivery risks and contingency arrangements. There is also a risk that the SEAG operations may operate at a deficit in the coming year, however we are increasing Day Centre fares to align with HcL charging rates from August 2026. We are undertaking additional work for The City of Edinburgh Council on a full-cost recovery basis. Reviewing all staffing hours by August 2026 to optimise shift patterns, improve vehicle utilisation, reduce downtime and ensure more effective deployment of staff resources to mitigate this risk.

Plans for Future Periods

The Charity has secured funding from The City of Edinburgh Council for the Dial-A-Ride and Dial-A-Bus services plus additional funding through the Public Social Partnership to deliver transport on behalf of The City of Edinburgh Council. In addition, we receive roll over funding from West Lothian, Midlothian and East Lothian Councils.

In the next 12 months the Charity will:

- Be an active partner in the Public Social Partnership with The City of Edinburgh Council; Lothian Community Transport Services (LCTS); Pilton Equalities Project (PEP) and The Dove Centre;
- Pilot and implement projects for The City of Edinburgh, West Lothian, Midlothian and East Lothian Councils;
- Tender for Community bus services in the Lothians if they become available;
- Strengthen our working relationship with all our funders and stakeholders. Engage with funders to fully understand their policy priorities and to communicate effectively the contribution that HcL makes in meeting their policies;
- Purchase two community and one Dial-A-Ride bus; (subject to funding);
- Upgrade our Information Technology systems;
- Introduce both low emissions and electric vehicles onto the fleet (subject to securing funding);
- Consult and update our Staff Conditions of Service;
- Draft our next 5 year strategy.

Key themes of a new strategy

1. HcL will remain committed to its core mission, which is to help people with mobility difficulties get out and about freely and safely, with personal support that meets individual needs. This will involve retaining and continuing core dial-a-ride and dial-a-bus services and seeking opportunities to incrementally improve them.

2. However, HcL has also began to diversify its services significantly in recent years, in line with the theme of *Reducing Inequalities, Increasing Mobility* to "Develop New Services which Enhance Mobility". These have included:

    - operating registered local bus services such as WeLCom Bus, 2A & 2B (Broxburn) and Services 68 and 69 in Edinburgh;
    - new contracts to deliver school travel for children with additional support needs and adults attending day care.

3. The merger with SEAG, which has a wealth of experience in supporting day centers and clubs in Edinburgh, is a further logical development of this diversification. There are many other potential growth opportunities. for example:

   - expand community transport operations, both geographically in partnership with other social and care centers
   - explore options for premises to include in-house maintenance for vehicles.
   - provide training services to public and third-sector organisations for example for MIDAS, Health and Safety;
   - develop niche transport services to fill gaps in public/tourist travel, services such as accessible rail replacement buses, cruise ships, etc.

The new strategy should aim to be outward-looking, focusing on these growth options. This will position HcL well regarding topical policy priorities and potential funding sources.

Alongside such service developments, HcL will need to review its communications and public image, including a review of both name and branding. This will need to reflect the development from its origins as 'Handicabs dial-a-ride' to a diverse and innovative entity, while still acknowledging its history and reputation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a Charitable Company Limited by guarantee incorporated on 10th August 1982.

The Charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.00.

Recruitment and Appointment of Directors and Executive Committee

The Directors of the Charity who are listed on page 10 and under the Company's Articles are members of the Executive Committee. Under those Articles, the Directors are elected at the AGM to serve a period of one year after which they must be re-elected at the next AGM. The Directors have the power to co-opt not more than 2 further members to fill specialist roles. Co-opted members also service until the following AGM.

The Charity provides transport services for disabled people and therefore, seeks to comply with the recognised guidelines that at least 51% of the Executive Committee should be made up of people with disability. Six of the current Board are users of our services.

All members are circulated with invitations to nominate Directors prior to the AGM advising them of the retiring Directors and requesting nominations for the AGM.

All the current Directors retire at the AGM but all are offering themselves for re-election.

Directors Induction and Training

New Directors are briefed on their legal obligations under Charity and Company Law, the content of the Memorandum and Articles of Association, the Committee and decision-making processes and recent financial performance of the Charity. Directors are encouraged to attend extend courses.

Organisational Structure

The Executive Committee, which can have up to 10 members plus 2 co-optees, administers the Charity and is responsible for the strategic direction and policy of the Charity. It meets quarterly and is supported by other Committees covering finance and staff matters. A Chief Executive is appointed by the Board to manage the day-to-day operations of the Charity.

Pay and Remuneration of Key Personnel

Senior and operational management staff are remunerated in line with industry norms along with any increments set out at time of recruitment, or awarded as a result of any additional training, qualifications or responsibility. Otherwise, increments are usually limited to annual cost of living increases across all pay scales. The Charity operates a defined contribution pension scheme, open to all employees after 3 months of service, with employer contributes at 17.8%. Otherwise, the auto-enrolment schemes are available to all other employees in line with statutory requirements.

Related Parties

The Charity is a member of the Community Transport Association (CTA), Edinburgh Community Transport Operators Group (ECTOG), Community Transport Public Social Partnership (CTPSP), Edinburgh Voluntary Organisations Council (EVOC), Midlothian Voluntary Action (MVA), West Lothian Social Enterprise Network (WLSEN), Edinburgh's Older People's Service Providers Forum and West Lothian Senior People's Forum. We are also in partnership to provide urban and rural transport schemes in the community with West Lothian, Midlothian, East Lothian and The City of Edinburgh Councils.

HANDICABS (LOTHIAN) LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST MARCH 2026

Reference and Administrative Information

Charity Name:	Handicabs (Lothian) Limited (also known as "HcL")
Charity Registration Number:	SC013906
Company Registration Number:	SC079712

Directors

D Wilson	Chairman
Dr K Brown TD MBChB MRCGP AFOM CIH	Vice Chairman
J Bhagrath CA	Treasurer
M Harrison	
K Kerr	
J Brown	Appointed 24 April 2026
C Craig	Appointed 24 April 2026
C Weir	Appointed 2 December 2025
L Wright	Appointed 8 May 2026
J Cameron	Resigned 2 February 2026
P Lawson	Resigned 2 February 2026
L MacInnes	Resigned 9 September 2025
S Somerfield	

Senior Management Team

J K Cochrane	Chief Executive
R Hutson	Operations Manager
G Toner	Assistant Operations Manager

Registered Office and Operational Address

24/3a Dryden Road, Loanhead, Midlothian EH20 9HX

Senior Statutory Auditor

Louise Presslie CA

Auditor

Whitelaw Wells, Statutory Auditor, 9 Ainslie Place, Edinburgh EH3 6AT

Bankers

Bank of Scotland, 426 Morningside Road, Edinburgh EH10 5QF

Investment Managers

Evelyn Partners, Third Floor Atria Two, Edinburgh EH3 8EX

Statement of Directors' responsibilities

The Directors, who are also the Trustees of the Charity, are responsible for preparing the Directors' Report and the Financial Statements in accordance with Applicable Law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the income resources and application of resources, including the net income and expenditure, of the charitable company for the year. In preparing these financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom 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 Directors are responsible for maintaining proper accounting records that 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, the Charities and Trustee Investment (Scotland Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of Information to Auditors

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

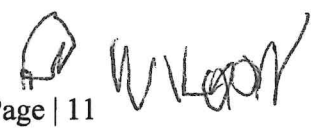
Auditor

The Board have re-appointed Whitelaw Wells as auditors and that appointment will fall to be confirmed at the Annual General Meeting.

This report has been prepared in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

Approved by the Directors on 8 September 2026 and signed on their behalf by:

D WILSON
Director



Independent Auditor's Report to the directors and members of Handicabs (Lothian) Limited For the year ended 31 March 2026

Opinion

We have audited the financial statements of Handicabs (Lothian) Limited (the 'charitable company') for the year ended 31st March 2026, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Accounting 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 31st March 2026 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 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 Auditors' 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees (who are also the Directors of the company for the purposes of company law) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other Information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 mis-stated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent Auditor's Report to the directors and members of Handicabs (Lothian) Limited
For the year ended 31 March 2026

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report, prepared for the purposes of company law and included within the Trustees annual report, 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' annual report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to Report by Exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report, included within the Trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or certain disclosures of Directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or

- the Directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Director's report, included within the Trustees' annual report, and from the requirements to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 11, the Directors (who are also trustees of the charitable company for the purposes of charity 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 Directors determine 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 Directors 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 Directors 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

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

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.

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

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of these charged with governance, it was determined that the risk of material misstatement from fraud as low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high-level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high-level concealment of the error. In this regard, the following audit work was undertaken applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We carried out income testing and grants payable testing which was designed to identify any irregularities as a result of simple mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

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/auditorresponsibilities. This description forms part of our Report of the Auditors.

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, and the Trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.



Louise Presslie CA (Senior Statutory Auditor)
For and on behalf of Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
Midlothian
EH3 6AT

8 September 2026

Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

HANDICABS (LOTHIAN) LIMITED

Statement of Financial Activities
(inc income and expenditure account)
for the year ended 31 March 2026

	Notes	Unrestricted funds £	Restricted Funds £	Total Funds 2026 £	Total Funds 2025 £
Income and endowment from:					
Donations and legacies:					
Donations and legacies	4	**8,138**	**-**	**8,138**	10,400
Membership		**860**	**-**	**860**	700
Charitable activities:					
Operating grants	6	**834,140**	**423,642**	**1,257,782**	1,244,199
Capital grants		**-**	**30,000**	**30,000**	35,900
Network Support Grant		**121,758**	**-**	**121,758**	115,637
Fares		**658,237**	**-**	**658,237**	588,694
Other trading activities – training		**120**	**-**	**120**	770
Investments	5	**9,948**	**-**	**9,948**	13,701
Other		**208,463**	**-**	**208,463**	145,500
Total income		**1,841,664**	**453,642**	**2,295,306**	2,155,501
Expenditure on:					
Fundraising funds		**(18,736)**	**-**	**(18,736)**	(27,026)
Charitable activities		**(1,621,291)**	**(482,017)**	**(2,103,308)**	(1,984,589)
Total expenditure	7	**(1,640,027)**	**(482,017)**	**(2,122,044)**	(2,011,615)
Net gains on investments	12	**29,156**	**-**	**29,156**	14,129
Net income/(expenditure)		**230,793**	**(28,375)**	**202,418**	158,015
Transfers between funds	15	**-**	**-**	**-**	-
Other recognised losses					
Actuarial losses on defined benefit pension schemes		**(179,000)**	**-**	**(179,000)**	(101,000)
Net movement in funds		**51,793**	**(28,375)**	**23,418**	57,015
Reconciliation of funds:					
Total funds at 1 April 2025		1,248,245	218,172	1,466,417	1,409,402
Total funds at 31 March 2026	15	**1,300,038**	**189,797**	**1,489,835**	1,466,417

There are no recognised gains or losses in 2026 or 2025 other than those dealt with above. All results of the company refer to continuing activities.

The notes on pages 18 to 33 form part of these financial statements.

HANDICABS (LOTHIAN) LIMITED

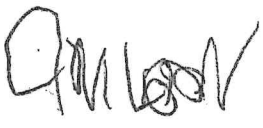
Balance Sheet

As at 31 March 2026

	Notes	2026 £	2026 £	2025 £
Fixed assets				
Tangible assets	11		**479,251**	575,866
Investments	12		**529,655**	495,477
			1,008,906	1,071,343
Current assets				
Debtors	13	**232,565**		217,473
Cash at bank and in hand		**359,182**		291,385
Total current assets		**591,747**		508,858
Creditors: amounts falling due within one year	14	**(110,818)**		(113,784)
Net current assets			**480,929**	395,074
Total assets less liabilities			**1,489,835**	1,466,417
Defined benefit pension scheme asset/(liability)	17		**-**	-
Net assets			**1,489,835**	1,466,417
Total funds of the charity:				
Restricted funds	15		**189,797**	218,172
Unrestricted funds	15			
Designated funds			**290,012**	377,956
General funds			**1,010,026**	870,289
			1,489,835	1,466,417

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

Approved by the Directors on 8 September 2026 and signed on their behalf by:



D Wilson
Director
Registered number: SC079712

The notes on pages 18 to 33 form part of these financial statements.

HANDICABS (LOTHIAN) LIMITED

Cash Flow Statement

As at 31 March 2026

	2026 £	2025 £
Cash flows from operating activities	**172,871**	183,336
Cash flows from investing activities:		
Purchase of fixed assets	**(110,000)**	(396,065)
Proceeds from the sale of fixed assets	**-**	7,500
Dividends and interest from investment	**9,948**	13,701
Purchase of investments	**(238,929)**	(160,136)
Proceeds from the sale of investments	**235,597**	355,379
Net cash (used) by investing activities	**(103,384)**	(179,621)
Change in cash and cash equivalents in the year	**69,487**	3,715
Cash and cash equivalents at the beginning of the year	**296,526**	292,811
Cash and cash equivalents at the end of the year	**366,013**	296,526
Represented by:		
Cash at bank and in hand	**359,182**	291,385
Cash held as part of investment portfolio	**6,831**	5,141
	366,013	296,526

Reconciliation of net expenditure to net cash flow from operating activities

	2026 £	2025 £
Net income for the year	**23,418**	57,015
Adjustments for the year:		
Depreciation charge	**206,615**	182,435
Gain on sale of fixed assets	**-**	(7,500)
Dividends and interest from investment	**(9,948)**	(13,701)
Net gains on investments	**(29,156)**	(14,129)
(Increase) in debtors	**(15,092)**	(37,743)
(Decrease)/Increase in creditors	**(2,966)**	16,959
Net cash provided by operating activities	**172,871**	183,336

1. General information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. These financial statements are of Handicabs (Lothian) only and cover the year to 31 March 2026.

The Principal activities of Handicabs (Lothian) Ltd during the year is to to provide transport for disabled, ill and or disadvantaged people and for health and life saving purposes.

Handicabs (Lothian) Ltd is an incorporated charity limited by guarantee in the United Kingdom and is registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) ,under charity number SC013906. Details of the registered office can be found in the Directors Report of these financial statements.

2. Statement of compliance

The financial statements are prepared in accordance with United Kingdom Accounting Standards, including the Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102), the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019",the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented, in dealing with items which are considered material in relation to the charity's financial statements unless otherwise stated.

a) Basis of accounting

The financial statements are prepared on the historical cost basis.

Handicabs (Lothian) Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires directors to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

The charity depends on grant funding from outside sources and fundraising to finance its activities. At the date of approving the financial statements in assessing the going concern position of the charity, the Board has fully considered the security of future income and net asset position in the Balance Sheet at the year end.

The charity has committed grant funding until March 2027 and, on the basis of cash flow projections, is able to meet its ongoing liabilities as they fall due for a period of at least 12 months for the date of signing the financial statements. As a consequence, the Board has prepared the financial statements on the going concern basis.

b) Income recognition

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Grants receivable, including capital grants, are credited to the Statement of Financial Activities (SOFA) when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Income is deferred only when the funder specifies that the funds must be used in future accounting periods or has imposed conditions that must be met before the charity has unconditional entitlement, and these conditions have not yet been met.
- Incomes from service level agreements, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Incomes from passenger fares are recognised when services have been received.
- Income is only deferred where entitlement conditions have not been met or related services have not been provided as at the year end.
- Donations and legacies are included in full in the Statement of Financial Activities when receivable. Income from activities for generating funds is recognised as earned, as the related services are provided.
- Other trading activities relates to training services. Income is recognised when the service is provided.
- Investment income is included when receivable.
- The charity is grateful for volunteers and donations-in-kind, which are not recognised in the accounts as the benefit to the charity cannot be reasonably quantified. Where the donation-in-kind benefit can be reasonably quantified it is included in the accounts.

c) Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where VAT is irrecoverable, it is allocated directly against the expenditure to which it relates.

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

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include governance costs which support the charity's programmes and activities. These costs include the expenses of the statutory audit and legal and professional fees.

d) Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost with assets costing in excess of £1,000 capitalised.

Depreciation is provided at rates calculated to write off the cost of each asset in equal instalments over their expected useful life, as follows:

Motor vehicles	25%
Office equipment	20%

e) Leasing

Operating lease rentals are written off to the Statement of Financial Activities as incurred.

f) Pensions

The charity has two pension schemes. A defined benefit scheme with the Lothian Pension Fund that provides benefit on a final pensionable pay, and a defined contribution scheme with The People's Pension. Contributions are charged to the Statement of Financial Activities.

g) Fund accounting

Unrestricted funds are incoming resources generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds that have been earmarked by the directors for a specific purpose.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure that meets these criteria is charged to the fund together with a fair allocation of management and support costs.

h) Investments and investment income

Investments have been included in the balance sheet at market value. Realised gains and losses are recognised in the Income and Expenditure account and the Statement of Financial Activities in the period to which they relate. Unrealised gains and losses are recognised in The Statement of Financial Activities in the period to which they relate.

Income from investments is credited to income in the year in which it is receivable.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

j) Judgements in applying key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgments, estimates and assumptions which affect reported results, financial position and disclosure of contingencies.

Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectation of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

At the period end, there were no areas where there were estimates and assumptions with a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

k) Cash & cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors

Creditors 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 after allowing for any trade discounts due.

m) Financial instruments

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised and there is an intention to settle on a net basis or to realise the asset and the liability simultaneously.

n) New or revised Financial Reporting Standards

Amendments to FRS 102 introduced by the Period Review 2024.

The amendments to FRS 102 along with the revised Charities SORP 2026, are applicable for accounting periods commencing on or after 1 January 2026, with earlier adoption permitted. The Trustees have opted not to adopt these amendments early, as such, the amendments will be implemented for the accounting period/year ending 31 December 2026. The most significant amendments are the replacement of Section 23, now renamed 'Revenue from Contracts with Customers', and Section 20 'Leases'. The other less significant changes are not currently expected to have a material impact. The new revenue and leasing requirements seek to provide greater consistency and alignment with International Financial Reporting Standards, namely IFRS 15 and IFRS 16.

The charitable company is currently planning for the implementation of these changes.

Under the new lease accounting requirements these changes will be applied using the modified retrospective approach which avoids the restatement of comparative figures. The implementation of the changes would see leased assets recognised as Right-of-Use assets on-balance sheet, with a lease liability recognised based on the discounted value of any future commitments, plus payments related to optional extension periods if considered reasonably certain. Exemptions to this approach will be considered for certain short-term leases or low-value assets.

Under the new revenue accounting requirements, management expects these changes to be applied using the modified retrospective approach which avoids the restatement of comparative figures. Management are reviewing the current and expected future revenue transactions to determine the necessary performance obligations, transaction prices, and overall recognition and presentation to ensure compliance with the changes.

As at the date of signing the financial statements, and given the changes relate to future periods, it has been deemed impractical to determine the amounts involved.

4. Donations and legacies

	Dial-A Bus £	Dial-A-Ride £	Other Charitable services £	Total 2026 £	Total 2025 £
General donations	-	-	8,138	8,138	10,400
	-	-	8,138	8,138	10,400

Donations and legacies income was £8,138 (2025: £10,400) of which £8,138 (2025: £8,649) was unrestricted and £nil (2025: £1,751) was restricted.

5. Investment income

	Dial-A Bus £	Dial-A-Ride £	Other Charitable services £	Total 2026 £	Total 2025 £
Interest received	64	78	-	142	1,048
Investment income	-	-	9,806	9,806	12,653
	64	78	9,806	9,948	13,701

Investment income was £9,948 (2025: £13,701) of which all was unrestricted.

6. Income from charitable activities

	Dial-A-Bus	Dial-A-Ride	Other Charitable services	Total 2026	Total 2025
	£	£	£	£	£
Grants received					
The City of Edinburgh Council	106,555	311,435	-	417,990	425,440
East Lothian Council	6,114	68,752	-	74,866	74,866
West Lothian Council	32,280	178,372	-	210,652	210,652
Midlothian Council	29,916	149,955	-	179,871	175,484
Community Transport	368,251	-	-	368,251	250,486
Paths for All	-	-	-	-	79,936
National Lottery	-	-	-	-	20,000
Other Trust & Foundations (less than £10,000)	-	-	6,152	6,152	7,335
Total	543,116	708,514	6,152	1,257,782	1,244,199

Income from charitable activities from operating grant income was £1,257,782 (2025: £1,244,199), of which £834,140 (2025: £712,250) was unrestricted and £423,642 (£531,949) was restricted.

Capital grants in the year consisted of £30,000 (2025: £35,900) all of which were restricted.

Network Support grant in the year was £121,758 (2025: £115,637) which was all unrestricted.

Fares in the year were £658,237 (2025: £588,694) which was all unrestricted.

7. Expenditure

	Dial-A Bus	Dial-A-Ride	Other charitable service	Total 2026	Total 2025
	£	£	£	£	£
Fundraising funds					
Fundraiser wages	-	18,537	-	18,537	23,128
Other costs	-	-	199	199	3,898
Charitable expenditure:					
Stair climber	-	-	-	-	2,935
Landfill fund	-	-	-	-	9,954
Administration wages	-	187,000	-	187,000	164,575
Drivers and despatchers wages	327,919	803,748	420	1,132,087	1,037,453
Relief drivers	-	4,513	-	4,513	3,670
Volunteers' expenses	93	1,131	-	1,224	1,571
Protective clothing, PPE equipment & medicals	2,328	5,113	-	7,441	5,378
Conference, training and travelling	3,092	4,495	192	7,779	6,521
Vehicle costs	152,360	246,495	13,931	412,786	425,057
Rent, rates and heating	15,288	29,343	-	44,631	39,241
Repairs and cleaning	1,443	5,655	-	7,098	10,300
Printing, stationery and advertising	1,708	6,427	-	8,135	8,692
Telephone	2,013	6,338	-	8,351	7,382
Support costs:					
Insurance	3,348	7,811	-	11,159	11,126
Computer running costs	1,586	8,656	-	10,242	4,589
Software support	3,123	9,899	-	13,022	7,065
Miscellaneous expenses	1,160	7,710	1,061	9,931	8,508
Depreciation	-	-	206,615	206,615	182,435
Professional fees	4,689	12,932	(10,228)	7,393	28,387
Investment management fees	-	-	4,783	4,783	6,150
Governance costs:					
Accountancy	2,165	2,325	2,568	7,058	3,700
Audit	2,809	3,776	5,475	12,060	9,900
Total	525,124	1,371,904	225,016	2,122,044	2,011,615

Support costs are apportioned on an invoiced basis, other than professional fees which are allocated on a pro-rata basis.

Fundraising funds and charitable expenditure for year totalled £2,122,044 (2025: £2,011,615), of which £1,640,027 (2025: £1,463,118) was unrestricted and £482,017 (2025: £548,497) was restricted.

8. Net income for the year

This is stated after charging/(crediting):-

	2026	2025
	£	£
Depreciation	**206,615**	182,435
(Gain) on sale of fixed assets	**-**	(7,500)
Operating lease charges – land	**27,512**	25,700
Operating lease charges – Other	**3,208**	3,208
Auditors' remuneration: - Audit of accounts	**8,600**	7,900
- Audit of grant claims	**2,600**	1,320

9. Staff costs and numbers and related party transactions

	2026	2025
	£	£
Salaries and wages	**1,099,930**	1,008,187
Social security costs	**118,216**	78,382
Pension contributions	**123,991**	142,257
	1,342,137	1,228,826

The average number of employees during the year on a head count basis was 47 (2025: 45)

One (2025: one) employee received emoluments of between £60,000 - £69,999 during the current year.

The company operates a defined benefit pension scheme as detailed in note 17.

The pension cost charge represents contributions payable by the Company to both the Lothian Pension Fund £111,700 (2025: £97,826) and The People's Pension Fund £7,533 (2025: £7,431), the total of which amounts to £119,232 (2025: £105,257). Contributions totalling £14,679 (2025: £16,876) were payable to the fund at the year end and are included in creditors.

The key management personnel of the charity comprise the trustees and the senior management team. The total employee benefits of the key management personnel of the charity were £183,737 (2025: £173,683).

No trustees received any remuneration and during the year there were no re-imbursement of expenses to directors.

Accountancy fees include £7,058 (2025: £18,530) to Henderson Loggie LLP and professional fees include a credit note of £14,742 from Henderson Loggie, a firm in which Trustee, J Bhagrath is a partner. £3,360 (2025: £3,200) is accrued at the year end and is included in creditors.

Four directors are members of the service and pay the same rates as other users.

10. Taxation

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

11. Tangible fixed assets

	Motor Vehicles £	Office Equipment £	Total £
Cost			
At 1 April 2025	1,472,239	8,781	1,481,020
Additions	110,000	-	110,000
Disposals	(85,035)	-	(85,035)
At 31 March 2026	**1,497,204**	**8,781**	**1,505,985**
Depreciation			
At 1 April 2025	896,373	8,781	905,154
Charge for the year	206,615	-	206,615
Write off on disposal	(85,035)	-	(85,035)
At 31 March 2026	**1,017,953**	**8,781**	**1,026,734**
Net book value			
At 31 March 2026	**479,251**	**-**	**479,251**
At 31 March 2025	575,866	-	575,866

The charity has title to land that was donated during the year ended 31 March 2020. The directors consider the cost/benefit of valuing the land not to be worthwhile at this point in time. The directors believe the current value of the land is not material to the financial statements.

12. Investments

	2026 £	2025 £
Market value on 1 April 2025	**495,477**	674,846
Additions at cost	**238,929**	160,136
Disposal proceeds	**(235,597)**	(355,379)
Increase in cash held	**1,690**	1,745
Net realised investment gains	**8,300**	16,879
Net unrealised investment gains/(losses)	**20,856**	(2,750)
Market value at 31 March 2026	**529,655**	495,477
Cost	**480,970**	442,621

Included in investments in 2026 is £6,831 (2025 - £5,141) held as cash.

Investments at fair value comprised:	2026 £	2025 £
Equities	**428,829**	337,823
Bonds, fixed interest securities, real assets	**93,995**	152,513
Cash and accrued interest held within the investment portfolio	**6,831**	5,141
As at 31 March 2026	**529,655**	495,477

All investments are carried at their fair value. Investments are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

13. Debtors

	2026 £	2025 £
Trade debtors	23,229	51,582
Grants receivable	156,240	121,581
VAT recoverable	34,486	35,044
Other debtors	-	421
Prepayments & accrued income	18,610	8,845
	232,565	217,473

14. Creditors: amounts falling due within one year

	2026 £	2025 £
Other creditors	24,583	38,485
Accruals	44,415	39,655
Deferred income (see below)	3,510	-
Pension creditor	14,679	16,876
Taxation and social security	23,631	18,768
	110,818	113,784

Deferred income	2026 £	2025 £
Balance at 1 April 2025	-	-
Amounts released to income	-	-
Amounts deferred in the year	3,510	-
	3,510	-

Deferred income represents fares received in advance.

15. Movements in funds

	Balance at 1 April 2025 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2026 £
Restricted fund:					
City of Edinburgh Council	-	417,990	(417,990)	-	-
Minibuses & equipment	170,685	32,152	(43,052)	-	159,785
Office refurbishment	7,416	-	(7,416)	-	-
Passenger day trips	39,984	3,000	(12,972)	-	30,012
Staff training	87	500	(587)	-	-
Unrestricted:					
Designated funds:					
Vehicle fund	263,475	-	(87,944)	-	175,531
Restructure fund	114,481	-	-	-	114,481
General fund	870,289	1,682,820	(1,543,083)	-	1,010,026
Pension fund	-	188,000	(188,000)	-	-
	1,466,417	2,324,462	(2,301,044)	-	1,489,835

Restricted fund:

City of Edinburgh Council
This represents grants received from the City of Edinburgh Council to support to Dial-A-Bus and Dial-A-Ride services.

Minibuses & equipment
This represents grants received from organisations to assist in the purchase of minibuses and related equipment.

Office refurbishment
This represents donations to enable the refurbishment of the Bathgate office as well as new office equipment.

Passenger day trips
This fund is to provide outings for 3 trips for 42 people resident in Edinburgh and 1 day trips residents in West Lothian.

Staff training
This fund was provided to support staff with ongoing training.

Designated funds:

Vehicle fund
In 2015/16 the charity designated £150,000 towards the purchase of two new Dial-A-ride vehicles and one new Dial-A-bus vehicle. In 2018 the charity received a legacy of £210,000 from a former service user. In 2020 the charity decided to designate this legacy, together with further funds towards the cost of acquiring new vehicles.

Restructure fund
In 2020 the charity agreed to designate £120,000 towards a review of the staff structure in Dial-A-Ride and Dial-A-Bus. The intention is to use these funds in the coming year as a part of the merger with SEAG.

The pension fund represents movements in the pension deficit over the year, as advised by the scheme actuary (see also note 17 to the accounts).

Comparative figures:

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2025 £
Restricted fund:					
City of Edinburgh Council	-	425,440	(425,440)	-	-
Minibuses & equipment	182,139	30,200	(41,654)	-	170,685
Office refurbishment	6,633	5,900	(5,117)	-	7,416
Passenger day trips	3,060	106,309	(69,385)	-	39,984
Staff training	2,302	-	(2,215)	-	87
Stair climber fund	2,935	-	(2,935)	-	-
Ukraine appeal	-	1,751	(1,751)	-	-
Unrestricted:					
Designated funds:					
Vehicle fund	322,453	-	(58,978)	-	263,475
Restructure fund	114,481	-	-	-	114,481
General fund	775,399	1,462,030	(1,367,140)	-	870,289
Pension fund	-	138,000	(138,000)	-	-
	1,409,402	2,169,630	(2,112,615)	-	1,466,417

16. Analysis of net assets between funds

	Fixed assets	Investments	Net current Assets	Pension liability	Totals
	£	£	£	£	£
Restricted fund	138,249	-	51,548	-	189,797
Unrestricted funds	341,002	529,655	429,381	-	1,300,038
At 31 March 2026	479,251	529,655	480,929	-	1,489,835

	Fixed assets	Investments	Net current assets	Pension liability	Totals
	£	£	£	£	£
Restricted fund	70,475	-	147,697	-	218,172
Unrestricted funds	505,391	495,477	247,377	-	1,248,245
At 31 March 2025	575,866	495,477	395,074	-	1,466,417

17. Pensions

The Company is a participating employer in the Lothian Pension Fund ("The Scheme") that provides benefits based on final pensionable pay. The charity operates a defined benefit scheme in the UK that provides pensions linked to final salaries. A valuation of the pension fund is carried out triennially. Liabilities are valued on an actuarial basis using the projected unit method, which assess the future liabilities of the fund discounted to their present value.

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

The principal actuarial assumptions used by the actuary are as follows:

	31 March 2026 % pa	31 March 2025 % pa
Rate of increase in salaries	3.70%	3.50%
Rate of increase in pensions payment	3.00%	2.80%
Discount rate	6.20%	5.80%

Life expectancy is based on the Funds Vita Curves with improvements in line with the CMI2023 model. Based on these assumptions, the average future life expectancies at age 65 are as follows:

	Males	Females
Current pensioners	20.5 years	23.1 years
Future pensioners	20.7 years	23.9 years

The major categories of plan assets as a percentage of total plan assets were:

	31 March 2026 %	31 March 2025 %
Equities	69%	69%
Bonds	19%	20%
Property	8%	9%
Cash	4%	2%

Changes in the fair value of plan assets, defined benefit obligation and net liability for the year ended 31 March 2026:

	Assets £(000)	Obligations £(000)	Net (liability) Asset £(000)	Net position March 2025 £(000)
	£	£	£	£
Fair value of plan assets	7,109	-	7,109	7,191
Present value of funded liabilities	-	3,876	(3,876)	(4,298)
Opening position as at 31 March 2025	7,109	3,876	3,233	2,893
Service cost				
Current service cost	-	120	(120)	(135)
Total service cost	-	120	(120)	(135)
Net interest				
Interest income on plan assets	414	-	414	345
Interest cost on defined benefit obligation	-	226	(226)	(207)
Total net interest	414	226	188	138
Total defined benefit cost recognised in net income or (expenditure)	414	346	68	3
Cashflows				
Plan participants' contributions	36	36	-	-
Employer contributions	111	-	111	98
Benefits paid	(102)	(102)	-	-
Expected closing position	7,568	4,156	3,412	2,994

Re-measurements				
Changes in financial assumptions	-	(115)	115	629
Changes in demographic assumptions	-	23	(23)	7
Other experience	-	29	(29)	35
Return on assets excluding amounts include in net interest	105	-	105	(432)
Total re-measurements recognised in other gains or losses in Statement of Financial Activities	105	(63)	168	239
Fair value of plan assets	7,673	-	7,673	7,109
Present value of funded liabilities	-	4,093	(4,093)	(3,876)
Closing position as at 31 March 2026	**7,673**	**4,093**	**3,580**	3,233

Defined contribution scheme

The charity also operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administrated fund.

18. Operating lease commitments

At the 31 March 2026 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2026	2025
Land and buildings:	£	£
No later than one year	27,700	25,700
No later than 5 years	81,500	85,000
Other:		
No later than one year	3,208	3,208
No later than 5 years	4,812	8,020

19. Contingent asset

In 2023 the charity entered into conditional missives to sell the previously donated land noted at note 11. The missives are subject to planning consent, and the sales proceeds might not be known for a number of years.

During 2025 the charity registered for VAT. There is a probability a VAT reclaim will be received in respect of VAT incurred in early periods. At this time the HMRC review is ongoing, therefore there is no certainty with regard the amount of reclaim the charity will receive and as such it is not possible to ascertain the value of such a claim.

20. Post balance sheet event

On 1 April 2026, the charity completed a merger with SEAG, a registered charity with similar objectives. The merger was affected by the transfer of all assets to the charity.