

Moray Carshare

Annual Report for members 2018-19

Introduction

Development: The primary focus for this year has been a major development project for which we had secured 70% match funding from Moray LEADER and grants of £15,000 from HiTrans and £25,000 from Energy Saving Trust (EST) towards total project costs of £220,000. In this financial year we have completed about one third of the project as follows:

- Two fast (22kw) **electric charge points** were procured, installed and taken into use. The first is placed in the public car park on Tulloch Park in Forres, and we thank Moray Council for their permission to use this site. The second is placed at the West Whins car park in the Findhorn Ecovillage, and we thank Duneland Ltd for their permission to use this site. The charge points have functioned very well.
- Two Renault Zoe **electric cars** were purchased from Arnold Clark in Inverness, with one placed at each of these sites. The cars have a range of about 150 miles and have functioned very satisfactorily.
- 25 of our members completed half-day **eco-driving training** sessions provided by Orlando Driver Training, which covered fuel-efficient driving, defensive driving and manoeuvring skills. The feedback from members was excellent. Unfortunately we had to terminate this part of the project as the “Fuel Good Driving” match funding from Transport Scotland was withdrawn from 1st April 2019.
- We purchased 12 Cube **electric bikes** for use during the next phase of the project: to be placed in Findhorn, Forres, Elgin, Aberlour and Craigellachie.
- We purchased a **third Renault Zoe** for use in **Aberlour** in the next phase of the project, as part of a collaboration with Moray Council.

On 1st February 2019 we introduced a **new price plan** called “Contract Light”. This was to plug a gap between the 2 existing price plans, “Contract” and “Pay As You Go”, and is aimed at members who need a car for about 5-15 hours per month. For this level of usage it is cheaper than either of the other 2 plans. This has been a reasonable success as by the end of the year 19 of our 204 members had chosen this plan, and the number seemed to be still on the rise.

Office: In March 2019 we moved into our own rented office at The Hive, which is a purpose-built hub for local social enterprises in the Findhorn Ecovillage. The Hive was subsidised through Moray LEADER and provides an affordable rent (£177 per month for a 2 person office). This has provided a huge improvement in the working conditions of our management team by allowing us to work together in the same space. It also provides a space where members can pop in with questions or requests as well as facilitating a significant exchange of useful information with the other tenants.

We succeeded in establishing a **lift matching service** in the Findhorn Ecovillage community. However, uptake has been very low.

Vehicles: We replaced a Toyota Auris car that was written off during an accident last year with a brand new Toyota Yaris bought under a Toyota fleet agreement with a significant discount. We hope that this fleet agreement ensures us an economical way of sourcing

new cars in the future. We also sold one of our cars (a Citroen Berlingo) for just above its net book value.

Staff: We replaced our assistant manager, Bea Jefferson, who left for a new job, with Wilfred Schenk, who started on 1st October 2018. Wilf worked for us throughout the financial year but left at the end of October 2019, and was replaced by Charlotte Goodwin. Our car cleaner left just before the end of the financial year and has been replaced by Wilfred Schenk. Iain Lapsley continues to do a great job maintaining our cars, and our founder, Gordon McAlpine, continues as our manager.

Profit & Loss Accounts, 2018-19

We made an **operational loss** of over £13K and an overall profit of almost £58K. However, this profit includes the full amount of all grants received in the financial year, and the major part of these grants were used to buy assets: cars and e-bikes, which are not included as expenses under Profit & Loss, as they belong in our Balance Sheet. If the income from the grants for these assets were instead amortised over several years, as is normal practice with business accounts, then we would record an overall loss of £10K.

The reasons we can find for the poor operational results are as follows:

- The **number of hours** used was 12% less than budgeted, which gave an income of 14% less than budgeted. In fact, the total number of hours used was just slightly more than last year, even although we had about 30 more members. So clearly members are using fewer hours on average. It is hard to tell if this reduced level of usage is due to the price increases of 7% on the hourly rates that we introduced on 1st August 2018.
- The **number of miles** driven was 6% down on budget, which gave an income of 8% less than budgeted.
- **Management work** was 9% over budget. Part of this is down to the extra hours required when we changed staff – assistant manager position.

Our budgeting for all other costs and income has been pretty accurate.

The fact that our cars were used fewer hours than budgeted also meant that our operations were not as efficient as in previous years: the **average utilisation** of each car hours per car per day was 5.5 compared to 5.7 the previous year and 6.1 in our best year (2015-16).

In **Kinloss**, which is the latest area we expanded into, one of the two cars was used just above average, but the other was well below the average – 4.1 hours per day compared to 5.5. So it appears that we have established ourselves there, but that this is still quite fragile: even one or two members leaving could make our operations there unsustainable.

Generally all **our cars** have been operating well with maintenance and damage repair costs matching what we have budgeted.

PROFIT & LOSS for 2018-19	Result	Budget	Diff.
Income			
Membership subscriptions	14,040	13,590	450
Mileage income	40,505	43,966	-3,461
Hourly income	26,886	31,344	-4,458
Other charges (incl. Joining fees)	1,395	4,963	-3,567
Total Sales Income	82,826	93,862	-11,036
Expenditure			
Car insurance, Breakdown & Road Tax	11,843	11,956	-112
Fuel costs (incl. EV charging)	19,740	21,872	-2,132
Cleaning costs & wages	1,376	2,400	-1,024
Maintenance expenses	10,034	10,400	-366
Damage repair expenses & work hours	788	2,100	-1,312
Maintenance wages	5,846	6,000	-154
Management wages	20,047	19,598	449
Cost of Sales	69,673	74,326	-4,653
IT & Sundry expenses	2,994	2,700	294
Office rent	1,445	1,088	357
Accountants & Prof. Fees & Insurance	1,060	1,450	-390
Interest on loans	935	900	35
Reserve for unexpected expenditure	0	1,000	-1,000
Depreciation (@ 22% reducing balance)	22,075	21,535	540
Cost of overheads	28,509	28,673	-164
Total Operational Costs	98,182	102,999	-4,817
Other income			
Various: donations & NFA lift grant	1,223	0	1,223
Profit/loss on sale of assets	256	0	256
Operating profit (EBITDA)	8,198	12,398	-4,200
Net operating profit	-13,876	-9,137	-4,740
DEVELOPMENT (charity accounting)			
Restricted grant income (LEADER)	60,367	100,307	-39,940
Restricted grant income (EST)	24,996		24,996
Development work (incl. LEADER)	-11,011	-14,338	3,327
Other expenses (LEADER)	-2,678	-13,871	11,193
Total Development Gain	71,674	72,098	-424
FINAL RESULT	57,797	62,961	-5,164

Balance Sheet, 2018-19

Our **Balance Sheet** on the other hand is still very healthy with Net Assets of just over £140K, which is up about £58K from last year. This is due to the purchase of the 3 new electric cars, 12 new electric bikes and 2 new charge points, all of which were partly or fully grant-funded.

Balance Sheet on 30/9/2019	Total
Fixed Assets	
Cars (petrol/diesel/hybrid)	£40,338
Cars (electric)	£51,437
Bikes (electric)	£18,436
Non-vehicles	£24,208
Total Fixed Assets	£134,419
Current Assets	
Cash (bank + kitty)	£43,095
Members arrears	£8,462
Hereof accounted in this year	£86
Less bad debt provision	-£53
Prepayments	£109
VAT credit due	£836
Grant income due	£14,385
Total Current Assets	£66,919
Less Current Liabilities	
Members in credit	£2,581
Wages, PAYE & Pension due	£1,548
VAT debit due	£0
Short-term loans	£15,000
Member deposits	£3,380
Accruals - accountants	£1,000
Total Current Liabilities	£23,510
Net Current Assets	£43,409
Less Long Term Liabilities	
Long-term loans	£37,614
Total Long Term Liabilities	£37,614
Net Assets on 30/9/2019	£140,214

For contact details and more information, see www.moraycarshare.co.uk.