

Companies House

CRAIG OF CAMPBELTOWN LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



Milne Craig
Chartered accountants
Statutory auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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CRAIG OF CAMPBELTOWN LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS:	Colin Robert Craig Nicola J Morrison
SECRETARY:	Jennifer Margaret Craig
REGISTERED OFFICE:	Benmhor Saddell Street Campbeltown Argyll & Bute PA28 6DN
REGISTERED NUMBER:	SC033868 (Scotland)
INDEPENDENT AUDITORS :	Milne Craig Chartered accountants Statutory auditor Abercorn House 79 Renfrew Road Paisley Renfrewshire PA3 4DA
BANKERS:	Bank of Scotland 9 Longrow South Campbeltown Argyll and Bute PA28 6AL

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their strategic report of the company and the group for the year ended 31 December 2020.

REVIEW OF BUSINESS

Throughout 2020 the group has continued working in co-operation with Local Authorities, Regional Transport Partnerships and major customers, to navigate through the uncertainty caused by the COVID-19 pandemic and subsequent lockdown and restrictions on the transport industry. The company made use of the various government support schemes which were available to companies in the transport industry.

2021 will bring further uncertainty as the and route coverage and service levels will be kept under constant review as the situation evolves and restrictions are slowly eased. Continuing uncertainties over operating costs and key lines of income are all expected to contribute to another challenging year.

The results for the year are set out in the financial statements. The Directors' consider the result achieved on ordinary trading activities before taxation to be satisfactory and that the group has sufficient resources to meet its forecast requirements in 2021.

PRINCIPAL RISKS AND UNCERTAINTIES

The key business risks affecting the group are as follows:-

"Direct cost" uncertainty - specifically in relation to fuel prices.
Renewal of contracted income due for tender within the next twelve months.
Current economic conditions.

The director's have put in place a risk management system which aims to manage and reduce the above risks to which the group is exposed.

The company is following the relevant government guidance in relation to the continuing COVID-19 pandemic and will keep the situation under constant review.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

SECTION 172(1) STATEMENT

This report sets out how the directors comply with the requirement of Section 172 Companies Act 2006 and how these requirements have impacted on the Board's decision making throughout 2020. The key matters that the directors report on when undertaking their duties are:

The likely consequence of any decision in the long term

The Group has a long term strategic plan that the directors regularly monitor to ensure its implementation throughout the year using detailed reports on operating and financial performance. The business is operated within tight budgetary guidelines and as part of the regular monitoring looks for external events that may material impact the business and develops mitigations plans to offset any adverse impacts or take advantage of growth opportunities.

The interest of the Company's employees

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group and the Company. This is achieved through formal and informal meetings.

The need to foster the Company's business relationships with suppliers, customers and others

Delivery of excellent service to our customers is key to the success of the business in order to retain, grow and acquire new business. We conduct regular client satisfaction surveys and monitor department performance against these surveys. We hold regular communications with suppliers, customers and others in the industry to enable an open and honest communication to talk about innovations in the industry and give an opportunity to share ideas about how to minimize costs for our clients and maximise the efficiency of service delivery. The Group maintains excellent relationships with all of our suppliers and conduct regular supplier reviews to monitor performance.

The impact of the Group's operations on the community and environment

The Group supports charitable causes each year that are decided by employees and hold various events throughout the year in order to raise funds. The Group is always looking to innovate in order to reduce the impact on the environment.

The desirability of the Group maintaining a reputation for high standards of business conduct

The directors take the reputation of the Group seriously which is not limited to only operational and financial performance. The Group regularly reviews its Whistleblower and Ethics policy and ensures it remains appropriate as the business develops and grows.

The need to act fairly between members

As the Board of Directors, our intentions are to behave responsibly toward our stakeholders and treat them fairly and equally so they too may benefit from the successful delivery of our plan.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

FINANCIAL INSTRUMENTS

The group's principal financial instruments comprise investments, bank balances, trade creditors and trade debtors. The main purpose of the instruments are to raise funds for and to finance the group's operations.

The group's approach to managing principal risks applicable to financial statements are shown below:

- a) Investments comprise shareholdings in group companies. The valuation risk is managed by monitoring the performance of those companies.
- b) In respect of bank balances, the liquidity risk is managed by maintaining balances and effective use of available resources.
- c) Trade debtors are managed in respect of credit and cashflow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.
- d) Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts as they fall due.

ON BEHALF OF THE BOARD:



Colin Robert Craig Director

20 August 2021

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The group is principally engaged in the operation of local bus, express coach services and day tours in the West and Central Scotland and Scottish/English Borders, trading under the names of West Coast Motors, Glasgow Citybus, City Sightseeing Glasgow, Borders Buses, Scotline and Kintyre Express

DIVIDENDS

During the year, the company paid dividends of £49,009 (2019 - £168,532). No further Dividend is recommended for this year.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

Colin Robert Craig
Nicola J Morrison

CHARITABLE DONATIONS AND EXPENDITURE

The group made charitable donations totalling £9,375 (2019 - £12,250) during the year.

DISABLED EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

ENGAGEMENT WITH EMPLOYEES

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group and the Company. This is achieved through formal and informal meetings.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

Delivery of excellent service to our customers is key to the success of the business in order to retain, grow and acquire new business. We conduct regular client satisfaction surveys and monitor department performance against these surveys. We hold regular communications with suppliers, customers and others in the industry to enable an open and honest communication to talk about innovations in the industry and give an opportunity to share ideas about how to minimize costs for our clients and maximise the efficiency of service delivery. The Company maintains excellent relationships with all of our suppliers and conduct regular supplier reviews to monitor performance.

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS

As a privately owned business with a national presence the long term success of the Company is always at the heart of our operations.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors 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 company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

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

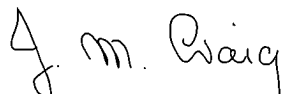
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Milne Craig, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Jennifer Margaret Craig - Secretary

20 August 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CRAIG OF CAMPBELTOWN LIMITED

Opinion

We have audited the financial statements of Craig of Campbeltown Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 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 group's and of the parent company affairs as at 31 December 2020 and of the group's profit 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.

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 group 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 directors' 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 group's and the parent 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

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 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.

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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CRAIG OF CAMPBELTOWN LIMITED**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page six, the directors 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CRAIG OF CAMPBELTOWN LIMITED

Auditors' 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 a Report of the Auditors 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, 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. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group, and determined that the most significant are those that relate to the form and content of the financial statements such as the accounting policies and the UK Companies Act 2006.

We assessed how the Group is complying with these frameworks by observing the oversight of those charged with governance, the culture of honesty and ethical behaviours and a strong emphasis placed on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment.

We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur, by making an assessment of the key fraud risks to the Group, and the manner in which such risks may occur in practice, based on our previous knowledge of the Group, as well as an assessment of the current business environment.

Based on this understanding, we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered higher, we performed audit procedures to address each identified fraud risk, including management override of controls. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error. We evaluated the design and operational effectiveness of controls put in place to address the risks identified, or that otherwise prevent, deter and detect fraud.

In addition, our audit procedures included enquiring of management concerning actual and potential litigation and claims, and performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. We addressed the fraud risk in relation to revenue recognition by testing completeness and cut off of income.

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.

As with any audit, there remains 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.

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 Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CRAIG OF CAMPBELTOWN LIMITED**

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kirsty Mackie BAcc CA (Senior Statutory Auditor)
for and on behalf of Milne Craig
Chartered accountants
Statutory auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

20 August 2021

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
TURNOVER	4	19,988,814	28,579,059
Cost of sales		(19,270,301)	(24,094,483)
GROSS PROFIT		718,513	4,484,576
Administrative expenses		(3,034,776)	(3,697,403)
		(2,316,263)	787,173
Other operating income		4,953,609	2,053
OPERATING PROFIT		2,637,346	789,226
Interest receivable and similar income	6	804	1,509
		2,638,150	790,735
Interest payable and similar expenses	7	(178,895)	(238,234)
PROFIT BEFORE TAXATION	8	2,459,255	552,501
Tax on profit	9	(536,010)	(139,515)
PROFIT FOR THE FINANCIAL YEAR		1,923,245	412,986
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,923,245	412,986
Profit attributable to: Owners of the parent		1,923,245	412,986
Total comprehensive income attributable to: Owners of the parent		1,923,245	412,986

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	12		411,982		512,533
Tangible assets	13		16,642,092		17,469,425
Investments	14		5,000		5,000
			<u>17,059,074</u>		<u>17,986,958</u>
CURRENT ASSETS					
Stocks	15	210,239		283,918	
Debtors	16	2,253,579		1,629,466	
Cash at bank and in hand		5,415,678		1,971,249	
		<u>7,879,496</u>		<u>3,884,633</u>	
CREDITORS					
Amounts falling due within one year	17	6,176,168		5,534,338	
NET CURRENT ASSETS/(LIABILITIES)			<u>1,703,328</u>		<u>(1,649,705)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>18,762,402</u>		<u>16,337,253</u>
CREDITORS					
Amounts falling due after more than one year	18		(6,285,287)		(5,808,890)
PROVISIONS FOR LIABILITIES	23		<u>(468,191)</u>		<u>(393,675)</u>
NET ASSETS			<u><u>12,008,924</u></u>		<u><u>10,134,688</u></u>
CAPITAL AND RESERVES					
Called up share capital	24		2,625		2,625
Capital redemption reserve	25		875		875
Retained earnings	25		12,005,424		10,131,188
SHAREHOLDERS' FUNDS			<u><u>12,008,924</u></u>		<u><u>10,134,688</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 20 August 2021 and were signed on its behalf by:



Colin Robert Craig - Director

COMPANY BALANCE SHEET
31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	12		-		-
Tangible assets	13		16,529,870		17,303,148
Investments	14		2,220,901		2,220,901
			<u>18,750,771</u>		<u>19,524,049</u>
CURRENT ASSETS					
Stocks	15	89,904		129,716	
Debtors	16	1,550,905		1,044,766	
Cash at bank		5,198,061		1,797,025	
		<u>6,838,870</u>		<u>2,971,507</u>	
CREDITORS					
Amounts falling due within one year	17	7,779,843		6,826,766	
		<u>7,779,843</u>		<u>6,826,766</u>	
NET CURRENT LIABILITIES			<u>(940,973)</u>		<u>(3,855,259)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>17,809,798</u>		<u>15,668,790</u>
CREDITORS					
Amounts falling due after more than one year	18		(6,285,287)		(5,808,890)
PROVISIONS FOR LIABILITIES	23		<u>(455,872)</u>		<u>(370,980)</u>
NET ASSETS			<u>11,068,639</u>		<u>9,488,920</u>
CAPITAL AND RESERVES					
Called up share capital	24		2,625		2,625
Capital redemption reserve	25		875		875
Retained earnings	25		11,065,139		9,485,420
SHAREHOLDERS' FUNDS			<u>11,068,639</u>		<u>9,488,920</u>
Company's profit for the financial year			<u>1,628,728</u>		<u>157,611</u>

The financial statements were approved by the Board of Directors and authorised for issue on 20 August 2021 and were signed on its behalf by:



Colin Robert Craig - Director

The notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 January 2019	2,625	9,886,734	875	9,890,234
Changes in equity				
Dividends	-	(168,532)	-	(168,532)
Total comprehensive income	-	412,986	-	412,986
Balance at 31 December 2019	<u>2,625</u>	<u>10,131,188</u>	<u>875</u>	<u>10,134,688</u>
Changes in equity				
Dividends	-	(49,009)	-	(49,009)
Total comprehensive income	-	1,923,245	-	1,923,245
Balance at 31 December 2020	<u>2,625</u>	<u>12,005,424</u>	<u>875</u>	<u>12,008,924</u>

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 January 2019	2,625	9,496,341	875	9,499,841
Changes in equity				
Dividends	-	(168,532)	-	(168,532)
Total comprehensive income	-	157,611	-	157,611
Balance at 31 December 2019	<u>2,625</u>	<u>9,485,420</u>	<u>875</u>	<u>9,488,920</u>
Changes in equity				
Dividends	-	(49,009)	-	(49,009)
Total comprehensive income	-	1,628,728	-	1,628,728
Balance at 31 December 2020	<u>2,625</u>	<u>11,065,139</u>	<u>875</u>	<u>11,068,639</u>

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	1,510,063	4,391,524
Interest paid		(18,686)	(14,523)
Interest element of hire purchase payments paid		(160,209)	(223,711)
Tax paid		(366,494)	(400,278)
Net cash from operating activities		<u>964,674</u>	<u>3,753,012</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		-	(10,000)
Purchase of tangible fixed assets		(2,768,722)	(935,731)
Sale of tangible fixed assets		100,048	571,500
Interest received		804	1,509
Net cash from investing activities		<u>(2,667,870)</u>	<u>(372,722)</u>
Cash flows from financing activities			
New hire purchase and finance leases		1,925,172	5,694,144
Capital repayments in year		(2,026,723)	(9,864,352)
Amount withdrawn by directors		(2,159)	(37,541)
New bank loans received		450,000	-
Bank loan repayments		(61,129)	-
Government grants		4,911,473	-
Equity dividends paid		(49,009)	(168,532)
Net cash from financing activities		<u>5,147,625</u>	<u>(4,376,281)</u>
Increase/(decrease) in cash and cash equivalents		<u>3,444,429</u>	<u>(995,991)</u>
Cash and cash equivalents at beginning of year	2	<u>1,971,249</u>	<u>2,967,240</u>
Cash and cash equivalents at end of year	2	<u><u>5,415,678</u></u>	<u><u>1,971,249</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020 £	2019 £
Profit before taxation	2,459,255	552,501
Depreciation charges	3,692,132	3,444,466
Profit on disposal of fixed assets	(95,574)	(11,459)
Government grants	(4,911,473)	(16,468)
Finance costs	178,895	238,234
Finance income	(804)	(1,509)
	<u>1,322,431</u>	<u>4,205,765</u>
Decrease/(increase) in stocks	73,679	(22,398)
Increase in trade and other debtors	(716,954)	(22,359)
Increase in trade and other creditors	<u>830,907</u>	<u>230,516</u>
Cash generated from operations	<u><u>1,510,063</u></u>	<u><u>4,391,524</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2020

	31/12/20 £	1/1/20 £
Cash and cash equivalents	<u><u>5,415,678</u></u>	<u><u>1,971,249</u></u>

Year ended 31 December 2019

	31/12/19 £	1/1/19 £
Cash and cash equivalents	<u><u>1,971,249</u></u>	<u><u>2,967,240</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/1/20 £	Cash flow £	At 31/12/20 £
Net cash			
Cash at bank and in hand	<u>1,971,249</u>	<u>3,444,429</u>	<u>5,415,678</u>
	<u>1,971,249</u>	<u>3,444,429</u>	<u>5,415,678</u>
Debt			
Finance leases	(8,783,773)	101,551	(8,682,222)
Debts falling due within 1 year	(31,964)	(40,015)	(71,979)
Debts falling due after 1 year	(252,188)	(348,856)	(601,044)
	<u>(9,067,925)</u>	<u>(287,320)</u>	<u>(9,355,245)</u>
Total	<u><u>(7,096,676)</u></u>	<u><u>3,157,109</u></u>	<u><u>(3,939,567)</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

Craig of Campbeltown Limited is a private company, limited by shares, registered in Scotland. The Company's registered number is SC033868 and registered office address is Benmhor, Saddell Street, Campbeltown, Argyll, PA28 6DN.

The company is principally engaged in the operation of local bus, express coach services and day tours in the Argyll & Bute and Glasgow areas, trading under the names of West Coast Motors, Glasgow Citybus, City Sightseeing Glasgow, Scotline and Kintyre Express.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The financial statements have been consolidated on an acquisition basis, as required by the Companies Act 2006 because of the group size. Under this basis, the results of the subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Critical accounting judgements and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Assets are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Bad debts are provided for where objective evidence of the need for a provision exists.

Inventories are assessed for evidence of obsolescence and a provision is made against any inventory unlikely to be sold, or where stock is sold post year end at a loss.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. ACCOUNTING POLICIES - continued

Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Consideration is given to the point at which the Company is entitled to receive the income, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue from the provision of services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due;
- the costs incurred can be measured reliably.

The group's main income comes from passenger fares, Local Authority and Regional Transport Partnership contracts for the provision of passenger services, concessionary travel reimbursements and contracts for operating express services. All revenue is recognised as and when it is due in respect of services provided or performed.

Rental income

Rental income is included in the profit and loss account in the period which it falls due.

Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of its separable net assets. It is being amortised to the profit and loss account over its estimated economic life of 29 months to five years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold Property	- 2% on cost
Short leasehold	- in accordance with the property
Plant and Machinery	- 10% to 50% of net book value or cost
Motor Vehicles	- 10% to 50% of net book value or cost

Government grants

Grants received in respect of fixed assets purchased are credited to deferred liabilities and amortised to the profit and loss account over the same period of useful life as the assets to which they relate.

Government grants received in relation to the Covid 19 pandemic have been recognised in the period to which the related revenue expenditure has been incurred. The company has benefited from the Coronavirus Job Retention Scheme, Coronavirus Rates Relief Grant, Bus Mobilisation Covid-19 Support Grant - Restart and Covid-19 Support Grant - Restart amounting to £4,911,473.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

3. ACCOUNTING POLICIES - continued

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transactions costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. ACCOUNTING POLICIES - continued

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Deferred tax assets and deferred tax liabilities are offset only if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Leases

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

The group operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

3. ACCOUNTING POLICIES - continued**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal.

An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2020	2019
	£	£
Fares and contracts	19,988,814	28,579,059
	<u>19,988,814</u>	<u>28,579,059</u>

5. EMPLOYEES AND DIRECTORS

	2020	2019
	£	£
Wages and salaries	10,623,820	12,162,133
Social security costs	852,013	1,046,289
Other pension costs	506,159	559,879
	<u>11,981,992</u>	<u>13,768,301</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	2020	2019
Office and Administration Staff	30	38
Drivers, Mechanics and Support Staff	401	504
	<u>431</u>	<u>542</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 431 (2019 - 542).

	2020	2019
	£	£
Directors' remuneration	208,845	127,084
Directors' pension contributions to money purchase schemes	<u>9,852</u>	<u>11,203</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

Information regarding the highest paid director for the year ended 31 December 2020 is as follows:

	2020
	£
Emoluments etc	112,293
Pension contributions to money purchase schemes	<u>9,852</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2020	2019
	£	£
Interest received	<u>804</u>	<u>1,509</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Bank loan interest	18,686	14,523
Hire purchase	<u>160,209</u>	<u>223,711</u>
	<u>178,895</u>	<u>238,234</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

8. PROFIT BEFORE TAXATION

The profit is stated after charging/(crediting):

	2020	2019
	£	£
Hire of plant and vehicles	3,128	4,875
Other operating leases	396,342	385,549
Depreciation - owned assets	1,150,339	911,435
Depreciation - assets on hire purchase contracts	2,441,242	2,451,506
Profit on disposal of fixed assets	(95,574)	(11,459)
Goodwill amortisation	100,551	65,057
Auditors' remuneration	20,300	15,300
	<u>2,459,255</u>	<u>552,501</u>

9. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2020	2019
	£	£
Current tax:		
UK corporation tax	460,788	51,975
Under provision in prior years	706	-
Total current tax	<u>461,494</u>	<u>51,975</u>
Deferred tax	<u>74,516</u>	<u>87,540</u>
Tax on profit	<u>536,010</u>	<u>139,515</u>

UK corporation tax has been charged at 19% (2019 - 19%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£	£
Profit before tax	<u>2,459,255</u>	<u>552,501</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	467,258	104,975
Effects of:		
Expenses not deductible for tax purposes	31,897	(1,621)
Adjustments to tax charge in respect of previous periods	-	1,088
Deferred tax rate changes	43,572	34,928
Movement in unrecognised deferred tax	-	145
Prior year adjustments	100	-
Indexation allowances and rebasing	(6,817)	-
Total tax charge	<u>536,010</u>	<u>139,515</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

10. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

11. DIVIDENDS

	2020 £	2019 £
Ordinary shares of £1 each		
Final	<u>49,009</u>	<u>168,532</u>

12. INTANGIBLE FIXED ASSETS**Group**

Goodwill
£

COST

At 1 January 2020
and 31 December 2020

1,970,118

AMORTISATION

At 1 January 2020
Amortisation for year

1,457,585
100,551

At 31 December 2020

1,558,136

NET BOOK VALUE

At 31 December 2020

411,982

At 31 December 2019

512,533

Company

Goodwill
£

COST

At 1 January 2020
and 31 December 2020

843,180

AMORTISATION

At 1 January 2020
and 31 December 2020

843,180

NET BOOK VALUE

At 31 December 2020

-

At 31 December 2019

-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

13. TANGIBLE FIXED ASSETS

Group	Freehold property £	Short leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST					
At 1 January 2020	1,769,826	116,310	2,688,613	34,890,768	39,465,517
Additions	603,045	-	73,890	2,091,787	2,768,722
Disposals	-	-	-	(989,659)	(989,659)
At 31 December 2020	2,372,871	116,310	2,762,503	35,992,896	41,244,580
DEPRECIATION					
At 1 January 2020	300,019	82,491	1,946,440	19,667,142	21,996,092
Charge for year	53,916	7,829	236,876	3,292,960	3,591,581
Eliminated on disposal	-	-	-	(985,185)	(985,185)
At 31 December 2020	353,935	90,320	2,183,316	21,974,917	24,602,488
NET BOOK VALUE					
At 31 December 2020	2,018,936	25,990	579,187	14,017,979	16,642,092
At 31 December 2019	1,469,807	33,819	742,173	15,223,626	17,469,425

The net book value of tangible fixed assets includes £12,134,934 (2019 - £13,238,983) in respect of assets held under hire purchase contracts.

Freehold properties are included at cost less depreciation.

Company	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 January 2020	1,769,826	2,058,995	34,833,504	38,662,325
Additions	603,045	73,890	2,077,372	2,754,307
Disposals	-	-	(989,659)	(989,659)
At 31 December 2020	2,372,871	2,132,885	35,921,217	40,426,973
DEPRECIATION				
At 1 January 2020	300,019	1,423,743	19,635,415	21,359,177
Charge for year	53,916	185,134	3,284,061	3,523,111
Eliminated on disposal	-	-	(985,185)	(985,185)
At 31 December 2020	353,935	1,608,877	21,934,291	23,897,103
NET BOOK VALUE				
At 31 December 2020	2,018,936	524,008	13,986,926	16,529,870
At 31 December 2019	1,469,807	635,252	15,198,089	17,303,148

The net book value of tangible fixed assets includes £12,134,934 (2019 - £13,238,983) in respect of assets held under hire purchase contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

13. TANGIBLE FIXED ASSETS - continued**Company**

Freehold properties are included at cost less depreciation.

14. FIXED ASSET INVESTMENTS**Group**

	Unlisted investments £
COST	
At 1 January 2020 and 31 December 2020	5,000
NET BOOK VALUE	
At 31 December 2020	5,000
At 31 December 2019	5,000

Company

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 January 2020 and 31 December 2020	2,447,544	5,000	2,452,544
PROVISIONS			
At 1 January 2020 and 31 December 2020	231,643	-	231,643
NET BOOK VALUE			
At 31 December 2020	2,215,901	5,000	2,220,901
At 31 December 2019	2,215,901	5,000	2,220,901

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries**City Sightseeing Glasgow Limited**

Registered office: Benmhor, Campbeltown, Argyll, PA28 6DN

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		2020	2019
		£	£
Aggregate capital and reserves		100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

14. FIXED ASSET INVESTMENTS - continued**Glasgow Citybus Limited**

Registered office: Benmhor, Campbeltown, Argyll, PA28 6DN

Nature of business: Dormant

	% holding	2020	2019
Class of shares:		£	£
Ordinary	100.00	100	100
Aggregate capital and reserves		<u>100</u>	<u>100</u>

Oban and District Buses Limited

Registered office: Benmhor, Campbeltown, Argyll, PA28 6DN

Nature of business: Dormant

	% holding	2020	2019
Class of shares:		£	£
Ordinary	100.00	75,000	75,000
Aggregate capital and reserves		<u>75,000</u>	<u>75,000</u>

Fairline Coaches Limited

Registered office: Benmhor, Campbeltown, Argyll, PA28 6DN

Nature of business: Coach operators

	% holding	2020	2019
Class of shares:		£	£
Ordinary	100.00	254,647	293,479
Aggregate capital and reserves		<u>254,647</u>	<u>293,479</u>
Loss for the year		<u>(38,832)</u>	<u>(252,361)</u>

Borders Buses Ltd

Registered office: North Road Industrial Estate North Road, Berwick Upon Tweed, Northumberland, TD15 1UN

Nature of business: Passenger Transport

	% holding	2020	2019
Class of shares:		£	£
Ordinary	100.00	2,417,690	2,035,955
Aggregate capital and reserves		<u>2,417,690</u>	<u>2,035,955</u>
Profit/(loss) for the year		<u>381,735</u>	<u>(46,489)</u>

15. STOCKS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Fuel stock	<u>210,239</u>	<u>283,918</u>	<u>89,904</u>	<u>129,716</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

16. DEBTORS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	986,546	867,187	691,247	485,520
Other debtors	252,615	165,255	250,919	160,759
Directors' loan accounts	5,993	3,834	5,993	3,834
Tax	-	95,000	-	95,000
Prepayments and accrued income	1,008,425	438,176	602,746	239,639
	<u>2,253,579</u>	<u>1,569,452</u>	<u>1,550,905</u>	<u>984,752</u>
Amounts falling due after more than one year:				
Trade debtors	-	60,014	-	60,014
	<u>-</u>	<u>60,014</u>	<u>-</u>	<u>60,014</u>
Aggregate amounts	<u>2,253,579</u>	<u>1,629,466</u>	<u>1,550,905</u>	<u>1,044,766</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts (see note 19)	71,979	31,964	71,979	31,964
Hire purchase contracts (see note 20)	2,997,979	3,227,071	2,997,979	3,227,071
Trade creditors	1,074,738	1,166,045	866,836	682,348
Amounts owed to group undertakings	-	-	2,689,309	2,246,098
Social security and other taxes	610,575	361,534	371,268	179,408
Other creditors	7,858	15,764	7,858	15,763
Accrued expenses	1,085,767	617,699	467,817	356,628
Deferred grants	327,272	114,261	306,797	87,486
	<u>6,176,168</u>	<u>5,534,338</u>	<u>7,779,843</u>	<u>6,826,766</u>

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans (see note 19)	601,044	252,188	601,044	252,188
Hire purchase contracts (see note 20)	5,684,243	5,556,702	5,684,243	5,556,702
	<u>6,285,287</u>	<u>5,808,890</u>	<u>6,285,287</u>	<u>5,808,890</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

19. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>71,979</u>	<u>31,964</u>	<u>71,979</u>	<u>31,964</u>
Amounts falling due between one and two years:				
Bank loans	<u>73,404</u>	<u>34,365</u>	<u>73,404</u>	<u>34,365</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>228,767</u>	<u>105,132</u>	<u>228,767</u>	<u>105,132</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	<u>298,873</u>	<u>112,691</u>	<u>298,873</u>	<u>112,691</u>

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2020	2019
	£	£
Gross obligations repayable:		
Within one year	3,279,174	3,463,891
Between one and five years	5,977,601	5,842,953
	<u>9,256,775</u>	<u>9,306,844</u>
Finance charges repayable:		
Within one year	281,195	236,820
Between one and five years	293,358	286,251
	<u>574,553</u>	<u>523,071</u>
Net obligations repayable:		
Within one year	2,997,979	3,227,071
Between one and five years	5,684,243	5,556,702
	<u>8,682,222</u>	<u>8,783,773</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

20. LEASING AGREEMENTS - continued**Company**

	Hire purchase contracts	
	2020	2019
	£	£
Gross obligations repayable:		
Within one year	3,279,174	3,463,891
Between one and five years	5,977,601	5,842,953
	<u>9,256,775</u>	<u>9,306,844</u>
Finance charges repayable:		
Within one year	281,195	236,820
Between one and five years	293,358	286,251
	<u>574,553</u>	<u>523,071</u>
Net obligations repayable:		
Within one year	2,997,979	3,227,071
Between one and five years	5,684,243	5,556,702
	<u>8,682,222</u>	<u>8,783,773</u>

Group

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	226,188	153,600
Between one and five years	422,165	255,400
In more than five years	139,000	912,442
	<u>787,353</u>	<u>1,321,442</u>

Company

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	132,413	82,900
Between one and five years	274,165	48,450
In more than five years	65,000	801,446
	<u>471,578</u>	<u>932,796</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

21. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	673,023	284,152	673,023	284,152
Hire purchase contracts	8,682,222	8,783,773	8,682,222	8,783,773
	<u>9,355,245</u>	<u>9,067,925</u>	<u>9,355,245</u>	<u>9,067,925</u>

The bank loan is secured over freehold property, with interest at variable rates, and is repayable over equal instalments over ten years.

The hire and lease purchase creditors are secured over the assets to which they relate and carry interest at varying commercial rates.

22. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	2020	2019
	£	£
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>7,879,496</u>	<u>3,884,633</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>12,461,455</u>	<u>11,343,228</u>

23. PROVISIONS FOR LIABILITIES

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax	<u>468,191</u>	<u>393,675</u>	<u>455,872</u>	<u>370,980</u>
Group				
				Deferred tax
				£
Balance at 1 January 2020				393,675
Originating and reversal of timing differences				30,944
Effect of change in tax rate				<u>43,572</u>
Balance at 31 December 2020				<u>468,191</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

23. PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1 January 2020	370,980
Originating and reversal of timing differences	41,320
Effect of changes in tax rate	43,572
Balance at 31 December 2020	<u>455,872</u>

24. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2020 £	2019 £
2,624	Ordinary	£1	2,624	2,624
1	A Ordinary	£1	1	1
			<u>2,625</u>	<u>2,625</u>

25. RESERVES

Group

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 January 2020	10,131,188	875	10,132,063
Profit for the year	1,923,245	-	1,923,245
Dividends	(49,009)	-	(49,009)
At 31 December 2020	<u>12,005,424</u>	<u>875</u>	<u>12,006,299</u>

Company

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 January 2020	9,485,420	875	9,486,295
Profit for the year	1,628,728	-	1,628,728
Dividends	(49,009)	-	(49,009)
At 31 December 2020	<u>11,065,139</u>	<u>875</u>	<u>11,066,014</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

25. RESERVES - continued

Retained earnings

Includes all current and prior year retained profits and losses less dividends.

Capital redemption reserve

Includes amounts arising from the redemption of shares from capital.

26. PENSION COMMITMENTS

The group operates a defined contribution scheme for some of its employees. The assets of the scheme are held separately from those of the group in an independently administered fund. At the balance sheet date unpaid contributions of £55,904 (2019 - £76,479) were due to the fund. The balances are included within other creditors and were fully paid in January 2021.

27. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The director C R Craig benefitted from an interest free loan from the company of £5,993 (2019 - £3,834) at 31st December 2020.

28. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total remuneration in respect of these individuals is £188,543 (2019 - £153,300).

29. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr C R Craig by virtue of his majority shareholding.