

CRAIG OF CAMPBELTOWN LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

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

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

	Page
Company Information	1
Group Strategic Report	2 to 4
Report of the Directors	5 to 6
Report of the Independent Auditors	7 to 10
Consolidated Statement of Comprehensive Income	11
Consolidated Balance Sheet	12
Company Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Cash Flow Statement	16
Notes to the Consolidated Cash Flow Statement	17 to 18
Notes to the Consolidated Financial Statements	19 to 37

CRAIG OF CAMPBELTOWN LIMITED
COMPANY INFORMATION
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

DIRECTORS: Colin Robert Craig
Nicola Jane McPherson

SECRETARY: Jennifer Margaret Craig

REGISTERED OFFICE: Benmhor
Saddell Street
Campbeltown
Argyll & Bute
PA28 6DN

REGISTERED NUMBER: SC033868 (Scotland)

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 PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

The directors present their strategic report of the company and the group for the period 1 January 2022 to 31 March 2023.

REVIEW OF BUSINESS

Throughout the period the group has continued working in co-operation with Local Authorities, Regional Transport Partnerships, major customers and staff, to navigate through the uncertainty caused by the cost of living crisis and volatile energy and fuel prices.

2023/24 will bring further uncertainty as the route coverage and service levels will be kept under constant review. Continuing uncertainties over operating costs and key lines of income are all expected to contribute to another challenging year given the volatility in energy and fuel prices and the need to move towards reducing the carbon footprint of the fleet.

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 2023/24.

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.

**GROUP STRATEGIC REPORT
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

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 2021. 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 PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

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:

Director

30 October 2023

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

The directors present their report with the financial statements of the company and the group for the period 1 January 2022 to 31 March 2023.

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 £222,774 (2021 - £62,000). 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 2022 to the date of this report.

Colin Robert Craig
Nicola Jane McPherson

CHARITABLE DONATIONS AND EXPENDITURE

The group made charitable donations totalling £4,375 (2021 - £25,500) 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.

STREAMLINED ENERGY AND CARBON REPORTING

During the period to 31 March 2023, our fleet consisted of diesel buses, this resulted in the production of 13,125,362 kilograms of carbon dioxide.

Craig of Campbeltown are committed to reducing our carbon footprint through continuous engagement with suppliers to ensure our fleet consists of the most eco friendly vehicles available, which comply with the emission regulations at the time of registration. During the period, maintenance and upgrading has been undertaken on our older fleet to ensure compliance with local low emission zone regulations coming into force after the period end. At the date of this report, ten zero emission electric buses have been ordered, the investment in these buses is expected to reduce our CO2 emissions by 296,000 kilograms of carbon dioxide.

During the period we have invested heavily in infrastructure at our depots, to support the movement towards the use of net zero vehicles.

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

The power usage for the properties held, is calculated to have generated 806,454 kilograms of CO₂, continuous upgrading of our premises and staff education has been implemented in order to achieve efficiency savings going forward.

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

30 October 2023

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 period ended 31 March 2023 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 March 2023 and of the group's profit for the period 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. 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

30 October 2023

**CONSOLIDATED
STATEMENT OF COMPREHENSIVE
INCOME
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

	Notes	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
TURNOVER	4	32,855,372	21,703,591
Cost of sales		<u>(31,824,080)</u>	<u>(20,240,212)</u>
GROSS PROFIT		1,031,292	1,463,379
Administrative expenses		<u>(4,657,962)</u>	<u>(3,260,604)</u>
		(3,626,670)	(1,797,225)
Other operating income		<u>7,103,688</u>	<u>5,606,108</u>
OPERATING PROFIT		3,477,018	3,808,883
Interest payable and similar expenses	6	<u>(302,144)</u>	<u>(307,220)</u>
PROFIT BEFORE TAXATION	7	3,174,874	3,501,663
Tax on profit	8	<u>(471,168)</u>	<u>(765,738)</u>
PROFIT FOR THE FINANCIAL PERIOD		2,703,706	2,735,925
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>2,703,706</u>	<u>2,735,925</u>
Profit attributable to: Owners of the parent		<u>2,703,706</u>	<u>2,735,925</u>
Total comprehensive income attributable to: Owners of the parent		<u>2,703,706</u>	<u>2,735,925</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 MARCH 2023

	Notes	2023 £	£	2021 £	£
FIXED ASSETS					
Intangible assets	11		477,607		603,622
Tangible assets	12		18,163,645		14,638,856
Investments	13		25,000		5,000
			<u>18,666,252</u>		<u>15,247,478</u>
CURRENT ASSETS					
Stocks	14	216,381		232,670	
Debtors	15	4,645,040		2,396,420	
Cash at bank and in hand		<u>6,801,497</u>		<u>7,335,950</u>	
		11,662,918		9,965,040	
CREDITORS					
Amounts falling due within one year	16	<u>7,314,317</u>		<u>5,670,373</u>	
NET CURRENT ASSETS			<u>4,348,601</u>		<u>4,294,667</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			23,014,853		19,542,145
CREDITORS					
Amounts falling due after more than one year	17		(4,695,457)		(4,174,576)
PROVISIONS FOR LIABILITIES	22		<u>(1,155,616)</u>		<u>(684,720)</u>
NET ASSETS			<u>17,163,780</u>		<u>14,682,849</u>
CAPITAL AND RESERVES					
Called up share capital	23		2,625		2,625
Capital redemption reserve	24		875		875
Retained earnings	24		<u>17,160,280</u>		<u>14,679,349</u>
SHAREHOLDERS' FUNDS			<u>17,163,780</u>		<u>14,682,849</u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 October 2023 and were signed on its behalf by:

Colin Robert Craig - Director

COMPANY BALANCE SHEET
31 MARCH 2023

	Notes	2023 £	£	2021 £	£
FIXED ASSETS					
Intangible assets	11		177,830		243,360
Tangible assets	12		17,649,408		14,265,342
Investments	13		<u>2,240,901</u>		<u>2,220,901</u>
			20,068,139		16,729,603
CURRENT ASSETS					
Stocks	14		127,773		106,552
Debtors	15		3,977,420		1,619,661
Cash at bank			<u>6,131,986</u>		<u>6,837,209</u>
			10,237,179		8,563,422
CREDITORS					
Amounts falling due within one year	16		<u>7,028,701</u>		<u>7,119,598</u>
NET CURRENT ASSETS			<u>3,208,478</u>		<u>1,443,824</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			23,276,617		18,173,427
CREDITORS					
Amounts falling due after more than one year	17		(4,695,457)		(4,174,576)
PROVISIONS FOR LIABILITIES	22		<u>(1,033,755)</u>		<u>(600,990)</u>
NET ASSETS			<u>17,547,405</u>		<u>13,397,861</u>
CAPITAL AND RESERVES					
Called up share capital	23		2,625		2,625
Capital redemption reserve	24		875		875
Retained earnings	24		<u>17,543,905</u>		<u>13,394,361</u>
SHAREHOLDERS' FUNDS			<u>17,547,405</u>		<u>13,397,861</u>
Company's profit for the financial year			<u>4,372,318</u>		<u>2,391,222</u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 October 2023 and were signed on its behalf by:

Colin Robert Craig - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 January 2021	2,625	12,005,424	875	12,008,924
Changes in equity				
Dividends	-	(62,000)	-	(62,000)
Total comprehensive income	-	2,735,925	-	2,735,925
Balance at 31 December 2021	<u>2,625</u>	<u>14,679,349</u>	<u>875</u>	<u>14,682,849</u>
Changes in equity				
Dividends	-	(222,774)	-	(222,774)
Total comprehensive income	-	2,703,706	-	2,703,706
Balance at 31 March 2023	<u>2,625</u>	<u>17,160,281</u>	<u>875</u>	<u>17,163,781</u>

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 January 2021	2,625	11,065,139	875	11,068,639
Changes in equity				
Dividends	-	(62,000)	-	(62,000)
Total comprehensive income	-	2,391,222	-	2,391,222
Balance at 31 December 2021	<u>2,625</u>	<u>13,394,361</u>	<u>875</u>	<u>13,397,861</u>
Changes in equity				
Dividends	-	(222,774)	-	(222,774)
Total comprehensive income	-	4,372,318	-	4,372,318
Balance at 31 March 2023	<u>2,625</u>	<u>17,543,905</u>	<u>875</u>	<u>17,547,405</u>

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

	Notes	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Cash flows from operating activities			
Cash generated from operations	1	249,510	1,427,176
Interest paid		(31,603)	(19,389)
Interest element of hire purchase payments paid		(270,541)	(287,831)
Tax paid		(373,476)	(549,209)
Net cash from operating activities		<u>(426,110)</u>	<u>570,747</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(3,240)	(270,400)
Purchase of tangible fixed assets		(3,964,223)	(1,357,174)
Purchase of fixed asset investments		(20,000)	-
Sale of tangible fixed assets		332,379	188,137
Net cash from investing activities		<u>(3,655,084)</u>	<u>(1,439,437)</u>
Cash flows from financing activities			
New hire purchase and finance leases		3,426,535	405,000
Capital repayments in year		(6,462,390)	(3,036,575)
Amount withdrawn by directors		53,847	7,147
Bank loan repayments		(91,829)	(73,540)
Government grants		6,843,352	5,548,930
Equity dividends paid		(222,774)	(62,000)
Net cash from financing activities		<u>3,546,741</u>	<u>2,788,962</u>
(Decrease)/increase in cash and cash equivalents		<u>(534,453)</u>	<u>1,920,272</u>
Cash and cash equivalents at beginning of period	2	7,335,950	5,415,678
Cash and cash equivalents at end of period	2	<u>6,801,497</u>	<u>7,335,950</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

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

	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Profit before taxation	3,174,874	3,501,663
Depreciation charges	3,882,088	3,345,658
Profit on disposal of fixed assets	(219,243)	(94,625)
Government grants	(6,843,352)	(5,548,930)
Finance costs	302,144	307,220
	<u>296,511</u>	<u>1,510,986</u>
Decrease/(increase) in stocks	16,289	(22,431)
Increase in trade and other debtors	(1,875,416)	(148,834)
Increase in trade and other creditors	1,812,126	87,455
Cash generated from operations	<u>249,510</u>	<u>1,427,176</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:

Period ended 31 March 2023

	31/3/23 £	1/1/22 £
Cash and cash equivalents	<u>6,801,497</u>	<u>7,335,950</u>
Year ended 31 December 2021		

	31/12/21 £	1/1/21 £
Cash and cash equivalents	<u>7,335,950</u>	<u>5,415,678</u>

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

3. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1/1/22 £	Cash flow £	Other non-cash changes £	At 31/3/23 £
Net cash				
Cash at bank and in hand	<u>7,335,950</u>	<u>(534,453)</u>		<u>6,801,497</u>
	<u>7,335,950</u>	<u>(534,453)</u>		<u>6,801,497</u>
Debt				
Finance leases	(6,050,647)	3,035,855	(3,426,535)	(6,441,327)
Debts falling due within 1 year	(74,966)	(958)	-	(75,924)
Debts falling due after 1 year	<u>(524,517)</u>	<u>92,787</u>	<u>-</u>	<u>(431,730)</u>
	<u>(6,650,130)</u>	<u>3,127,684</u>	<u>(3,426,535)</u>	<u>(6,948,981)</u>
Total	<u>685,820</u>	<u>2,593,231</u>	<u>(3,426,535)</u>	<u>(147,484)</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

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 PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

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.

Computer software is being amortised evenly over its estimated useful life of five years.

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

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 PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

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 PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

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 PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

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:

	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Fares and contracts	32,855,372	21,703,591
	<u>32,855,372</u>	<u>21,703,591</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

5. EMPLOYEES AND DIRECTORS

	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Wages and salaries	15,131,928	10,623,801
Social security costs	1,429,820	926,958
Other pension costs	682,815	505,861
	<u>17,244,563</u>	<u>12,056,620</u>

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

	Period 1/1/22 to 31/3/23	Year Ended 31/12/21
Office and Administration Staff	35	33
Drivers, Mechanics and Support Staff	<u>431</u>	<u>475</u>
	<u>466</u>	<u>508</u>

	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Directors' remuneration	250,873	267,434
Directors' pension contributions to money purchase schemes	<u>15,387</u>	<u>13,447</u>

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

Money purchase schemes	<u>1</u>	<u>1</u>
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Information regarding the highest paid director is as follows:

	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Emoluments etc	130,750	151,000
Pension contributions to money purchase schemes	<u>15,387</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Bank loan interest	31,603	19,389
Hire purchase	267,736	287,831
Corporation tax interest	2,805	-
	<u>302,144</u>	<u>307,220</u>

7. PROFIT BEFORE TAXATION

The profit is stated after charging/(crediting):

	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Other operating leases	541,697	413,236
Depreciation - owned assets	1,608,853	1,221,701
Depreciation - assets on hire purchase contracts	2,143,980	2,045,197
Profit on disposal of fixed assets	(219,243)	(94,625)
Goodwill amortisation	60,485	51,720
Computer software amortisation	68,770	27,040
Auditors' remuneration	<u>21,000</u>	<u>19,800</u>

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

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

	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Current tax:		
UK corporation tax	(533)	549,209
Under provision in prior years	805	-
Total current tax	<u>272</u>	<u>549,209</u>
Deferred tax	470,896	216,529
Tax on profit	<u>471,168</u>	<u>765,738</u>

UK corporation tax was charged at 19 %) in 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

8. TAXATION - continued**Reconciliation of total tax charge included in profit and loss**

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

	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Profit before tax	<u>3,174,874</u>	<u>3,501,663</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2021 - 19 %)	603,226	665,316
Effects of:		
Expenses not deductible for tax purposes	(295,852)	(56,077)
Adjustments to tax charge in respect of previous periods	805	-
Deferred tax rate changes	277,347	164,333
Indexation allowances and rebasing	-	(6,954)
Prior year adjustment - deferred tax	<u>(114,358)</u>	<u>(880)</u>
Total tax charge	<u>471,168</u>	<u>765,738</u>

9. 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.

10. DIVIDENDS

	Period 1/1/22 to 31/3/23 £	Year Ended 31/12/21 £
Ordinary shares of £1 each Final	86,154	62,000
A Ordinary share of £1 Final	<u>136,620</u>	<u>-</u>
	<u>222,774</u>	<u>62,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

11. INTANGIBLE FIXED ASSETS**Group**

	Goodwill £	Computer software £	Totals £
COST			
At 1 January 2022	1,970,118	270,400	2,240,518
Additions	-	3,240	3,240
At 31 March 2023	<u>1,970,118</u>	<u>273,640</u>	<u>2,243,758</u>
AMORTISATION			
At 1 January 2022	1,609,856	27,040	1,636,896
Amortisation for period	60,485	68,770	129,255
At 31 March 2023	<u>1,670,341</u>	<u>95,810</u>	<u>1,766,151</u>
NET BOOK VALUE			
At 31 March 2023	<u>299,777</u>	<u>177,830</u>	<u>477,607</u>
At 31 December 2021	<u>360,262</u>	<u>243,360</u>	<u>603,622</u>

Company

	Goodwill £	Computer software £	Totals £
COST			
At 1 January 2022	843,180	270,400	1,113,580
Additions	-	3,240	3,240
At 31 March 2023	<u>843,180</u>	<u>273,640</u>	<u>1,116,820</u>
AMORTISATION			
At 1 January 2022	843,180	27,040	870,220
Amortisation for period	-	68,770	68,770
At 31 March 2023	<u>843,180</u>	<u>95,810</u>	<u>938,990</u>
NET BOOK VALUE			
At 31 March 2023	<u>-</u>	<u>177,830</u>	<u>177,830</u>
At 31 December 2021	<u>-</u>	<u>243,360</u>	<u>243,360</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

12. TANGIBLE FIXED ASSETS**Group**

	Freehold property £	Short leasehold £	Improvements to property £
COST			
At 1 January 2022	2,552,224	116,310	-
Additions	1,048,743	-	1,234,820
Disposals	(21,569)	-	-
At 31 March 2023	3,579,398	116,310	1,234,820
DEPRECIATION			
At 1 January 2022	370,678	98,148	-
Charge for period	85,291	9,785	46,810
Eliminated on disposal	-	-	-
At 31 March 2023	455,969	107,933	46,810
NET BOOK VALUE			
At 31 March 2023	3,123,429	8,377	1,188,010
At 31 December 2021	2,181,546	18,162	-

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 January 2022	2,843,794	36,829,467	42,341,795
Additions	423,235	4,683,960	7,390,758
Disposals	(27,228)	(1,398,367)	(1,447,164)
At 31 March 2023	3,239,801	40,115,060	48,285,389
DEPRECIATION			
At 1 January 2022	2,371,634	24,862,479	27,702,939
Charge for period	259,980	3,350,967	3,752,833
Eliminated on disposal	(8,376)	(1,325,652)	(1,334,028)
At 31 March 2023	2,623,238	26,887,794	30,121,744
NET BOOK VALUE			
At 31 March 2023	616,563	13,227,266	18,163,645
At 31 December 2021	472,160	11,966,988	14,638,856

The net book value of tangible fixed assets includes £ 8,675,147 (2021 - £ 10,223,826) in respect of assets held under hire purchase contracts.

Freehold properties are included at cost less depreciation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

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

	Freehold property £	Improvements to property £	Plant and machinery £	Motor vehicles £	Totals £
COST					
At 1 January 2022	2,552,224	-	2,170,663	36,485,088	41,207,975
Additions	1,048,743	1,234,820	152,142	4,683,960	7,119,665
Disposals	(21,569)	-	(18,500)	(1,398,367)	(1,438,436)
At 31 March 2023	3,579,398	1,234,820	2,304,305	39,770,681	46,889,204
DEPRECIATION					
At 1 January 2022	370,678	-	1,777,906	24,794,049	26,942,633
Charge for period	85,291	46,810	199,135	3,291,579	3,622,815
Eliminated on disposal	-	-	-	(1,325,652)	(1,325,652)
At 31 March 2023	455,969	46,810	1,977,041	26,759,976	29,239,796
NET BOOK VALUE					
At 31 March 2023	3,123,429	1,188,010	327,264	13,010,705	17,649,408
At 31 December 2021	2,181,546	-	392,757	11,691,039	14,265,342

The net book value of tangible fixed assets includes £ 8,675,147 (2021 - £ 10,223,826) in respect of assets held under hire purchase contracts.

Freehold properties are included at cost less depreciation.

13. FIXED ASSET INVESTMENTS**Group**

	Unlisted investments £
COST	
At 1 January 2022	5,000
Additions	20,000
At 31 March 2023	25,000
NET BOOK VALUE	
At 31 March 2023	25,000
At 31 December 2021	5,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

13. FIXED ASSET INVESTMENTS - continued**Company**

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 January 2022	2,447,544	5,000	2,452,544
Additions	-	20,000	20,000
At 31 March 2023	<u>2,447,544</u>	<u>25,000</u>	<u>2,472,544</u>
PROVISIONS			
At 1 January 2022 and 31 March 2023	<u>231,643</u>	-	<u>231,643</u>
NET BOOK VALUE			
At 31 March 2023	<u>2,215,901</u>	<u>25,000</u>	<u>2,240,901</u>
At 31 December 2021	<u>2,215,901</u>	<u>5,000</u>	<u>2,220,901</u>

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

	%		
	holding		
Class of shares:			
Ordinary	100.00		
		2023	2021
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

Glasgow Citybus Limited

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

Nature of business: Dormant

	%		
	holding		
Class of shares:			
Ordinary	100.00		
		2023	2021
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

13. FIXED ASSET INVESTMENTS - continued**Oban and District Buses Limited**

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

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		2023	2021
		£	£
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

	%		
Class of shares:	holding		
Ordinary	100.00		
		2023	2021
		£	£
Aggregate capital and reserves		<u>254,647</u>	<u>254,647</u>

Borders Buses Ltd

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

Nature of business: Passenger Transport

	%		
Class of shares:	holding		
Ordinary	100.00		
		2023	2021
		£	£
Aggregate capital and reserves		1,202,651	2,810,780
Profit for the period/year		<u>391,871</u>	<u>393,090</u>

14. STOCKS

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Fuel stock	<u>216,381</u>	<u>232,670</u>	<u>127,773</u>	<u>106,552</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Trade debtors	1,590,818	1,154,023	1,047,364	759,866
Other debtors	919,605	172,161	908,912	166,343
Corporation tax	373,204	-	373,204	-
Prepayments and accrued income	<u>1,761,413</u>	<u>1,070,236</u>	<u>1,647,940</u>	<u>693,452</u>
	<u>4,645,040</u>	<u>2,396,420</u>	<u>3,977,420</u>	<u>1,619,661</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Bank loans and overdrafts (see note 18)	75,924	74,966	75,924	74,966
Hire purchase contracts (see note 19)	2,177,600	2,400,588	2,177,600	2,400,588
Trade creditors	1,054,011	815,183	598,379	656,275
Amounts owed to group undertakings	-	-	520,192	2,379,124
Social security and other taxes	276,518	826,251	180,598	648,381
Other creditors	12,833	224	12,833	224
Directors' loan accounts	55,001	1,154	55,001	1,154
Accrued expenses	2,671,516	1,268,929	2,423,560	689,983
Deferred grants	990,914	283,078	984,614	268,903
	<u>7,314,317</u>	<u>5,670,373</u>	<u>7,028,701</u>	<u>7,119,598</u>

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

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Bank loans (see note 18)	431,730	524,517	431,730	524,517
Hire purchase contracts (see note 19)	4,263,727	3,650,059	4,263,727	3,650,059
	<u>4,695,457</u>	<u>4,174,576</u>	<u>4,695,457</u>	<u>4,174,576</u>

18. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	<u>75,924</u>	<u>74,966</u>	<u>75,924</u>	<u>74,966</u>
Amounts falling due between one and two years:				
Bank loans	<u>74,000</u>	<u>76,755</u>	<u>74,000</u>	<u>76,755</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>213,382</u>	<u>238,819</u>	<u>213,382</u>	<u>238,819</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	<u>144,348</u>	<u>208,943</u>	<u>144,348</u>	<u>208,943</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2023	2021
	£	£
Gross obligations repayable:		
Within one year	2,407,076	2,589,323
Between one and five years	<u>4,558,360</u>	<u>3,775,434</u>
	<u>6,965,436</u>	<u>6,364,757</u>
Finance charges repayable:		
Within one year	229,476	188,735
Between one and five years	<u>294,633</u>	<u>125,375</u>
	<u>524,109</u>	<u>314,110</u>
Net obligations repayable:		
Within one year	2,177,600	2,400,588
Between one and five years	<u>4,263,727</u>	<u>3,650,059</u>
	<u>6,441,327</u>	<u>6,050,647</u>

Company

	Hire purchase contracts	
	2023	2021
	£	£
Gross obligations repayable:		
Within one year	2,407,076	2,589,323
Between one and five years	<u>4,558,360</u>	<u>3,775,434</u>
	<u>6,965,436</u>	<u>6,364,757</u>
Finance charges repayable:		
Within one year	229,476	188,735
Between one and five years	<u>294,633</u>	<u>125,375</u>
	<u>524,109</u>	<u>314,110</u>
Net obligations repayable:		
Within one year	2,177,600	2,400,588
Between one and five years	<u>4,263,727</u>	<u>3,650,059</u>
	<u>6,441,327</u>	<u>6,050,647</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

19. LEASING AGREEMENTS - continued**Group**

	Non-cancellable operating leases	
	2023	2021
	£	£
Within one year	83,133	118,000
Between one and five years	470,874	344,901
In more than five years	-	222,000
	<u>554,007</u>	<u>684,901</u>

Company

	Non-cancellable operating leases	
	2023	2021
	£	£
Within one year	37,500	61,900
Between one and five years	317,341	344,901
	<u>354,841</u>	<u>406,801</u>

20. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2023	2021	2023	2021
	£	£	£	£
Bank loans	507,654	599,483	507,654	599,483
Hire purchase contracts	6,441,327	6,050,647	6,441,327	6,050,647
	<u>6,948,981</u>	<u>6,650,130</u>	<u>6,948,981</u>	<u>6,650,130</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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

21. FINANCIAL INSTRUMENTS

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

	2023 £	2021 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	2,510,423	1,326,184
Cash and cash equivalents	<u>6,801,497</u>	<u>7,335,950</u>
	<u>9,311,920</u>	<u>8,662,134</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>9,061,740</u>	<u>7,748,616</u>

22. PROVISIONS FOR LIABILITIES

	Group		Company	
	2023 £	2021 £	2023 £	2021 £
Deferred tax	<u>1,155,616</u>	<u>684,720</u>	<u>1,033,755</u>	<u>600,990</u>
Group				
				Deferred tax
				£
Balance at 1 January 2022				684,720
Originating and reversal of timing differences				<u>470,896</u>
Balance at 31 March 2023				<u>1,155,616</u>
Company				
				Deferred tax
				£
Balance at 1 January 2022				600,990
Originating and reversal of timing differences				432,765
Effect of changes in tax rate				
Balance at 31 March 2023				<u>1,033,755</u>

Deferred taxation provided for in the financial statements is set out below:

	2023 £	2021 £
Accelerated capital allowances	1,868,992	695,689
Other timing differences	(11,763)	(10,969)
Tax losses	<u>(701,613)</u>	<u>-</u>
	<u>1,033,755</u>	<u>600,990</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2021 £
2,624	Ordinary	£1	2,624	2,624
1	A Ordinary	£1	<u>1</u>	<u>1</u>
			<u>2,625</u>	<u>2,625</u>

24. RESERVES**Group**

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 January 2022	14,679,348	875	14,680,223
Profit for the period	2,703,706	-	2,703,706
Dividends	(222,774)	-	(222,774)
At 31 March 2023	<u>17,160,280</u>	<u>875</u>	<u>17,161,155</u>

Company

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 January 2022	13,394,361	875	13,395,236
Profit for the period	4,372,318	-	4,372,318
Dividends	(222,774)	-	(222,774)
At 31 March 2023	<u>17,543,905</u>	<u>875</u>	<u>17,544,780</u>

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.

25. 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 £64,617 (2021- £58,773) were due to the fund. The balances are included within other creditors and were fully paid in April 2023..

26. CAPITAL COMMITMENTS

	2023 £	2021 £
Contracted but not provided for in the financial statements	<u>354,000</u>	<u>354,000</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 1 JANUARY 2022 TO 31 MARCH 2023**

27. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At 31 March 2023, the company benefitted from an interest free loan from a director, amounting to £55,001 (2021 - £1,154).

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.

29. ULTIMATE CONTROLLING PARTY

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

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.