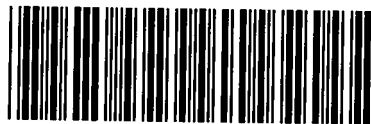


# Hedingham and District Omnibuses Limited

## Report and Financial Statements

29 June 2013

TUESDAY



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COMPANIES HOUSE

**Directors**

D A Brown  
K Down  
M R Dean  
G W Mutch

**Secretary**

C Ferguson

**Auditor**

Grant Thornton UK LLP  
Grant Thornton House  
Melton Street  
London  
NW1 2EP

**Bankers**

The Royal Bank of Scotland plc  
135 Bishopgate  
London  
EC2M 3UR

**Solicitors**

Dickinson Dees LLP  
St Ann's Wharf  
112 Quayside  
Newcastle upon Tyne  
NE99 3UR

**Registered office**

3rd Floor  
41 - 51 Grey Street  
Newcastle upon Tyne  
NE1 6EE

## **Directors' report**

The directors present their report and financial statements for the year ended 29 June 2013.

### **Results and dividends**

The loss for the year, after taxation, amounted to £76,000 (profit period ended 30 June 2012 - £35,000). There are no dividends in the period.

### **Principal activities and review of the business**

The principal activity of the company during the current and previous year was the provision of bus transport services.

The Company was acquired by Go-Ahead Holding Limited on 2 March 2012 and also on that date the company changed its accounting reference date to be co-terminus with the new parent company.

### **Future developments**

The company will continue to develop its commercial strategy by investing in vehicles and routes, where a return can be made on the investment and by seeking to improve margins on existing services.

### **Financial risk management objectives and policies**

The main risks associated with the company's financial assets and liabilities are set out below. Given that the majority of the risks below derive from transactions with other group companies, the company does not undertake any hedging activity locally. Significant financial risks from a group perspective are addressed on a case-by-case basis at group level.

#### *Interest rate risk*

All surplus cash is swept by the ultimate parent company, which is invested at a group level. Interest is charged at a variable rate on group loans. Therefore financial assets, liabilities, interest income and interest charges and cash flows can be affected by movements in interest rates. However, the exposure is reduced because of the group control.

#### *Price risk*

There is no significant exposure to changes in the carrying value of financial liabilities because all of these bear interest at floating rates.

#### *Credit risk*

The company manages its debtors on an ongoing basis and significant resource is put into mitigating credit risk.

#### *Liquidity risk*

The company aims to mitigate liquidity risk by managing cash generated by its operations in line with group policies. A cash sweeping facility exists with the ultimate parent company and therefore further information regarding the liquidity risk can be found in the group financial statements. Capital expenditure is approved at group level.

#### *Foreign currency risk*

The company has no foreign currency risk, all of the transactions, assets and liabilities are in sterling.

## **Directors' report**

### **Directors**

The directors who served the company during the period were as follows:

D Brown  
K Down  
M R Dean  
G W Mutch (appointed 5 November 2012)

Messrs Brown and Down were directors of the ultimate parent company, The Go-Ahead Group plc during the period.

### **Management and staff**

It is the policy of the company that disabled people, whether registered or not, should receive full and fair consideration for all job vacancies for which they are suitable applicants. Arrangements are made, wherever possible, for retraining employees who become disabled to enable them to perform work identified as appropriate to their aptitudes and abilities.

### **Creditor payment policy and practice**

The company agrees terms and conditions for its business transactions with suppliers. Payment is then made on these terms, subject to the terms and conditions being met by the suppliers.

### **Directors' responsibilities for audit information**

Insofar as the directors are aware:

- There is no relevant audit information of which the company's auditors are unaware; and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### **Auditors**

The auditor, Grant Thornton UK LLP, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

Registered office:  
3rd Floor  
41 - 51 Grey Street  
Newcastle upon Tyne  
NE1 6EE

By order of the board



K Down  
Director

1 July 2014

## Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report 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). 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 transactions and disclose with reasonable accuracy at any time the financial position of the company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**Independent auditor's report****to the members Hedingham and District Omnibuses Limited**

We have audited the financial statements of Hedingham and District Omnibuses Limited for the year ended 29 June 2013 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of the audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 June 2013 and of its 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

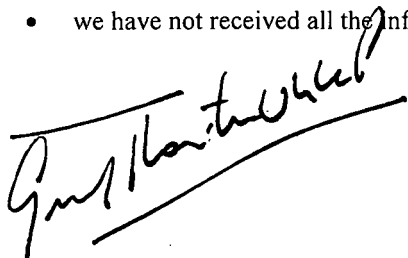
## **Independent auditor's report**

**to the members of Hedingham and District Omnibuses Limited (continued)**

### **Matters on which we are required to report by exception**

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

A handwritten signature in black ink, appearing to read 'Simon Lowe', is written over a horizontal line.

Simon Lowe

for and on behalf of Grant Thornton UK LLP, Statutory Auditor  
London

1 July 2014

**Profit and loss account**

for the period ended 29 June 2013

		<i>Year ended 29 June 2013 £000</i>	<i>Period ended 30 June 2012 £000</i>
	<i>Notes</i>		
<b>Turnover</b>	2	3,940	4,040
Operating costs	3	4,134	4,019
<b>Operating profit</b>	4	(194)	21
Interest receivable and similar income	6	106	60
Interest payable and similar charges	7	(4)	(18)
<b>Profit on ordinary activities before taxation</b>		(92)	63
Tax on profit on ordinary activities	8	16	(28)
<b>(Loss)/Profit for the financial period transferred to reserves</b>		(76)	35

All activities are continuing.

**Statement of total recognised gains and losses**

for the period ended 29 June 2013

	<i>Year ended 29 June 2013 £000</i>	<i>Period ended 30 June 2012 £000</i>
Loss for the financial period	(76)	35
<b>Total recognised gains and losses relating to the period</b>	(76)	35



**Balance sheet**  
at 29 June 2013

		29 June 2013 £000	30 June 2012 £000
	<i>Notes</i>		
<b>Fixed assets</b>			
Tangible assets	9	2,573	2,668
		<u>2,573</u>	<u>2,668</u>
<b>Current assets</b>			
Debtors	10	1,409	448
Stocks		58	50
Cash at bank		2,459	1,783
Investment		-	-
		<u>3,926</u>	<u>2,281</u>
<b>Creditors:</b> amounts falling due within one year	11	(2,310)	(521)
<b>Net current assets</b>		<u>1,616</u>	<u>1,760</u>
<b>Total assets less current liabilities</b>		<u>4,189</u>	<u>4,428</u>
<b>Creditors:</b> amounts falling due after more than one year		-	-
<b>Provisions for liabilities</b>	12	(69)	(106)
<b>Net assets</b>		<u>4,120</u>	<u>4,322</u>
<b>Capital and reserves</b>			
Equity share capital	13	51	51
Revaluation reserve	14	629	634
Profit and loss account	14	3,440	3,637
	14	<u>4,120</u>	<u>4,322</u>

Approved by the Board and signed on its behalf by:



K Down  
Director

1 July 2014

# Notes to the financial statements

at 29 June 2013

## 1. Accounting policies

### *Basis of preparation*

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards.

### *Cash flow statement*

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

### *Turnover*

Turnover comprises revenue from bus transport services in the United Kingdom. Where appropriate amounts are shown excluding value added tax.

Bus revenue principally comprises amounts receivable from contracts with local authorities and is recognised as the services are provided.

Other bus revenue comprises amounts receivable from ticket sales and concessionary fare schemes. Concessionary amounts are recognised in the period in which the service is provided based on a predetermined formula as agreed with the relevant local authority.

### *Fixed assets and depreciation*

Tangible fixed assets are stated at cost.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset, as follows:

Freehold property	-	2% p.a. straight line basis
Plant and machinery	-	25% p.a. reducing balance basis
Rolling stock	-	25% p.a. reducing balance basis

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

### *Investments*

Fixed assets investments are stated at cost less provision for diminution in value.

### *Government grants*

The company receives government grants and these are credited to the profit and loss account for the period to which they relate.

### *Stocks*

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

### *Deferred taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is provided for on all timing differences which have originated but not reversed at the balance sheet date. Except where otherwise required by accounting standards, no timing differences are recognised in respect of:

Deferred tax assets except to the extent that it is more likely than not that they will be recovered.

Deferred tax is calculated at the enacted rates at which it is estimated the tax will be payable. The deferred tax provision is not discounted to net present value.

**Notes to the financial statements**

at 29 June 2013

**1. Accounting policies (continued)*****Leasing and hire purchase commitments***

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

**2. Turnover**

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	<i>Year ended 29 June 2013 £000</i>	<i>Period ended 30 June 2012 £000</i>
United Kingdom	<u>3,940</u>	<u>4,040</u>

**3. Operating costs**

	<i>Year ended 29 June 2013 £000</i>	<i>Period ended 30 June 2012 £000</i>
Cost of sales	3,950	3,312
Administrative expenses	184	707
	<u>4,134</u>	<u>4,019</u>

**4. Operating profit**

This is stated after charging/(crediting):

	<i>Year ended 29 June 2013 £000</i>	<i>Period ended 30 June 2012 £000</i>
Auditor's remuneration	<u>3</u>	<u>10</u>
Depreciation of owned fixed assets	446	381
Profit on disposal of fixed assets	(18)	(36)
	<u>428</u>	<u>345</u>
Director's remuneration	<u>35</u>	<u>50</u>

**Notes to the financial statements**

at 29 June 2013

**5. Staff costs**

	<i>Year ended</i> <i>29 June</i> <i>2013</i> <i>£000</i>	<i>Period ended</i> <i>30 June</i> <i>2012</i> <i>£000</i>
Wages and salaries	2,133	2,053
Social security costs	186	—
Other pension costs – defined benefit	—	—
– defined contribution	—	—
	<u>2,319</u>	<u>2,053</u>

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

	<i>Year ended</i> <i>29 June</i> <i>2013</i> <i>No.</i>	<i>Period ended</i> <i>30 June</i> <i>2012</i> <i>No.</i>
Bus operations and other activities	117	88
Administration	4	3
	<u>121</u>	<u>91</u>

**6. Interest receivable and similar income**

	<i>Year ended</i> <i>29 June</i> <i>2013</i> <i>£000</i>	<i>Period ended</i> <i>30 June</i> <i>2012</i> <i>£000</i>
Interest receivable	106	60
	<u>106</u>	<u>60</u>

**7. Interest payable and similar charges**

	<i>Year ended</i> <i>29 June</i> <i>2013</i> <i>£000</i>	<i>Period ended</i> <i>30 June</i> <i>2012</i> <i>£000</i>
Bank interest payable (Finance Lease)	4	8
Bank loan interest	-	10
	<u>4</u>	<u>18</u>

## Notes to the financial statements

at 29 June 2013

### 8. Taxation on ordinary activities

#### (a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	<i>Year ended</i> <i>29 June</i> <i>2013</i> <i>£000</i>	<i>Period ended</i> <i>30 June</i> <i>2012</i> <i>£000</i>
<i>Current tax:</i>		
UK corporation tax	78	1
Total current tax	<u>78</u>	<u>1</u>
<i>Deferred tax:</i>		
Origination and reversal of timing differences	(94)	27
Tax on profit on ordinary activities	<u>(16)</u>	<u>28</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit / (loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 23.75% (2012 – 26%).

	<i>Year ended</i> <i>29 June</i> <i>2013</i> <i>£000</i>	<i>Period ended</i> <i>30 June</i> <i>2012</i> <i>£000</i>
Loss on ordinary activities before tax	<u>(68)</u>	<u>63</u>
Profit on ordinary activities by rate of tax	(16)	16
Depreciation in excess of capital allowances	46	(15)
Expenses not deductible for tax purposes/income not taxable	3	-
Deferred tax movement due to rate change	2	-
Adjustment in respect of prior year	43	-
Total current tax	<u>78</u>	<u>1</u>

## Notes to the financial statements

at 29 June 2013

### 9. Tangible fixed assets

	<i>Freehold land &amp; buildings £000</i>	<i>Plant &amp; machinery £000</i>	<i>Rolling Stock £000</i>	<i>WIP £000</i>	<i>Total £000</i>
Cost:					
At 30 June 2012	1,908	458	6,203	-	8,569
Additions	-	17	1,024	43	1,084
Disposals	-	(6)	(732)	-	(738)
At 29 June 2013	<u>1,908</u>	<u>469</u>	<u>6,495</u>	<u>43</u>	<u>8,915</u>
Depreciation:					
At 30 June 2012	161	397	5,343	-	5,901
Provided during the period	38	16	392	-	446
Disposals	-	-	(5)	-	(5)
At 29 June 2013	<u>199</u>	<u>413</u>	<u>5,730</u>	<u>-</u>	<u>6,342</u>
Net book value:					
At 29 June 2013	<u>1,709</u>	<u>56</u>	<u>765</u>	<u>43</u>	<u>2,573</u>
At 30 June 2012	<u>1,747</u>	<u>61</u>	<u>860</u>	<u>-</u>	<u>2,668</u>

#### *Capital commitments*

	<i>29 June 2013 £000</i>	<i>30 June 2012 £000</i>
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

The NBV of the vehicles on finance lease as at 29<sup>th</sup> June 2013 is £180,706.

**Notes to the financial statements**

at 29 June 2013

**10. Debtors**

	<i>29 June</i> <i>2013</i> £000	<i>30 June</i> <i>2012</i> £000
Trade debtors	34	210
Other debtors	-	-
Amounts owed from group undertakings	-	76
VAT	267	24
Prepayments and accrued income	1,108	138
	<u>1,409</u>	<u>448</u>

**11. Creditors: amounts falling due within one year**

	<i>29 June</i> <i>2013</i> £000	<i>30 June</i> <i>2012</i> £000
Finance leases	14	172
Other Creditors	38	-
Amounts owed to group undertakings	1,802	-
Trade creditors	87	100
Corporation tax	121	1
Other taxation and social security	63	28
Directors' current accounts	-	1
Accrued expenses and deferred income	185	219
	<u>2,310</u>	<u>521</u>

**12. Finance leases**

The maturity of these amounts is as follows:

	<i>29 June</i> <i>2013</i> £000	<i>30 June</i> <i>2012</i> £000
Amounts payable:		
Within one year	14	172
In two to five years	-	-
	<u>14</u>	<u>172</u>

## Notes to the financial statements

at 29 June 2013

### 13. Provisions for liabilities and charges

	<i>Deferred tax £000</i>	<i>Insurance claims £000</i>	<i>Total £000</i>
At 30 June 2012	105	-	105
Deferred tax credit in profit and loss account (note 9(a))	(94)	-	(94)
Insurance provision – Motor	-	58	58
At 29 June 2013 (note 9(c))	<u>11</u>	<u>58</u>	<u>69</u>

### 14. Share capital

	<i>Allotted, called up and fully paid</i>	
	<i>29 June 2013</i>	<i>30 June 2012</i>
	<i>No. £000</i>	<i>No. £000</i>
Ordinary shares of £1 each	51,300 <u>51</u>	51,300 <u>51</u>

### 15. Reconciliation of shareholders' funds and movement on reserves

	<i>Equity share capital £000</i>	<i>Revaluation £000</i>	<i>Profit and loss account £000</i>	<i>Total share- holders' funds £000</i>
At 31 March 2011	51	629	3,481	4,161
Profit for the financial year	-	-	35	35
At 30 June 2012	<u>51</u>	<u>629</u>	<u>3,516</u>	<u>4,196</u>
Profit for the financial period	-	-	(76)	(76)
At 29 June 2013	<u>51</u>	<u>629</u>	<u>3,440</u>	<u>4,120</u>

### 16. Related party transactions

The company is a 100% subsidiary of The Go-Ahead Group plc. Advantage has been taken of the exemptions in paragraph 3 of Financial Reporting Standard 8 and transactions with entities that are wholly owned by the group have not been disclosed.

### 17. Ultimate parent company and controlling party

The company's immediate parent undertaking is Go-Ahead Holding Limited. In the directors' opinion the company's ultimate parent company and controlling party is The Go-Ahead Group plc which is also the parent undertaking of the group of undertakings for which group financial statements are drawn up. The Go-Ahead Group plc is registered in England and Wales and copies of its financial statements can be obtained from Companies House, Cardiff.