

Company Registration No. 03261484

FirstBus (North) Limited

Annual Report and Financial Statements

For the year ended 26 March 2022



FirstBus (North) Limited
Annual report and financial statements
For the year ended 26 March 2022

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FirstBus (North) Limited

Strategic report

The directors have pleasure in submitting the strategic report for the year ended 26 March 2022.

Principal activities

FirstBus (North) Limited acts as an intermediate holding company. There have not been any significant changes in the company's principal activity in the year under review and no significant change in the company's principal activity is expected.

Business review

The company received dividend income of £nil (2021: £nil) and the loss after tax was £1.7 million (2021: £2.0 million). The directors of the company's subsidiaries did not recommend payment of a dividend in 2022 and therefore there was no dividend income in the company in 2022 (2021: £nil). The company had net assets of £100.9 million at 26 March 2022 (2021: £102.6 million).

At the year end the directors performed a review of the carrying value of the fixed asset investments which concluded that there should be a reduction in the carrying value of investments of £1.7 million. The review concluded that the investment in First Scotland East Limited should be impaired by £6.0 million. The review also concluded that existing impairments of £4.3m in First Glasgow No2 Limited were no longer supported and therefore should be reversed. In the prior year an impairment of £11.9 million and an impairment reversal of £9.9 million were required. Directors will continue to monitor the performance of their investments and review the carrying value at each balance sheet date.

FirstGroup plc manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for understanding the development, performance or position of the business. The performance of the group, which includes the company, is discussed in the group's Annual Report which does not form part of this report and is publicly available.

Principal risks and uncertainties and financial risk management

The company only acts as a holding company; its risks are related to its subsidiary companies. Key management mitigate these risks by monitoring the financial position of its subsidiary investments throughout the year.

The company's subsidiaries are financed mainly via share capital or intercompany loans.

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from assets are not sufficient to fund obligations as they fall due.

Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the directors consider the financial risks to be the solvency of its investments and that the entity is not able to recover its intercompany receivables or pay its intercompany liabilities as they fall due.

The company does not manage its financial risk through the use of financial derivative instruments.

The principal risks and uncertainties and the financial risk management of the group is discussed in detail in the group's Annual Report for the year to 26 March 2022 which does not form part of this report and is publicly available.

FirstBus (North) Limited

Strategic report (continued)

Going concern

At 26 March 2022 the company had cash of £nil (2021: £nil), net current assets of £1.2 million (2021: £1.2 million), net assets of £100.9 million (2021: £102.6 million) and made a loss of £1.7 million (2021: £2.0 million).

FirstGroup plc has provided the directors of the company with a letter confirming that it will provide support to the company, such that it is able to meet its obligations for a period of at least 12 months from the date of signing of these financial statements. The directors have made enquiries and understand that the parent company has adequate resources to be able to provide this financial support. This has been taken into account in the going concern assessment for the company.

The directors of the company also noted from the Group's full year results for the year ended 26 March 2022 that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for at least the 12 month period from the date on which the Group financial statements were approved. The Group considered whether any material uncertainties exist that cast doubt on the Group's ability to continue as a going concern over the next 12 months. Consistent with prior years, the Group's going concern assessment was based on a review of future trading projections, including whether the banking covenants are likely to be met and whether there is sufficient committed facility headroom to accommodate future cash flows for the going concern period. Further, the company has access to the FirstGroup plc's overdraft facility and receives a letter of support from the Group.

After making appropriate enquiries and considering the current economic climate the directors have formed the conclusion that there is a reasonable expectation that the company will continue in operational existence and have adequate resources in the foreseeable future.

Section 172 statement

The directors have a duty to promote the success of the company for the benefit of its members as a whole. The directors understand the need to have regard to the views and interests of wider stakeholders when assessing the consequences of a decision over the longer term.

FirstGroup's key stakeholders, as identified in the group's Annual Report and Accounts 2022 are customers, investors, government, our people, communities and strategic partners and suppliers. The directors of FirstBus (North) Limited confirm that its key stakeholders are investors and communities.

Further details on how the directors engage with them are set out below.

Investors

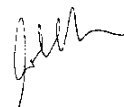
FirstGroup plc engages with investors through various means, including monthly updates from the Chief Executive and regular communications on the website. The group also has an Investor Relations team who are available to discuss the group's strategy with major shareholders at any time. The company provides input into the engagement that FirstGroup plc has with investors where relevant.

Communities

At a group level engagement with the community is driven through targeted engagement plans and activities, community investment, charitable engagement and employee volunteering. Feedback from the community is achieved through regular surveys at group and local level where applicable.

Further details on how the group as a whole has discharged its duties under section 172 can be found in the group's Annual Report which does not form part of this report. Copies of the financial statements of FirstGroup plc can be obtained on request from 395 King Street, Aberdeen, AB24 5RP, which is the registered office of FirstGroup plc, or online at www.firstgroupplc.com

Approved by the board of directors and signed on its behalf by:



C Brown
Director

15 December 2022

FirstBus (North) Limited

Directors' report

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 26 March 2022. Information in relation to the future developments, principal risks and their management is included in the Strategic Report, as permitted by section 414 C (11) of the Companies Act 2006.

Principal activity

The principal activity of the company is to act as an intermediate holding company.

Results and dividends

The results for the financial year are given in the income statement on page 8 which shows a loss for the financial year of £1.7 million (2021: £2.0 million). The directors of the company's subsidiaries did not recommend payment of a dividend in 2022 and therefore there was no dividend income in the company in 2022 (2021: £nil). The company had net assets of £100.9 million at 26 March 2022 (2021: £102.6 million).

The directors do not recommend payment of a dividend (2021: £nil).

Events after the reporting period

Post balance sheet events are discussed in note 13.

Directors

The directors who held office throughout the year and up to the date of signing the financial statements are as follows:

J S Bell

C Brown

A S Jarvis Appointed 1 June 2021

S Pearson Appointed 21 November 2022

D Alexander Resigned 21 May 2021

Directors' and officers' liability insurance

Directors' and officers' liability insurance is taken out by FirstGroup plc, the company's ultimate parent undertaking, for the benefit of the directors and officers of the company.

Directors' indemnity

Qualifying third party indemnity provisions (as defined in section 234 of the companies Act 2006) were in force during the year and up to and including the date of the Directors' report for the benefit of the directors of the company.

Corporate governance arrangements

The company chose not to apply any corporate governance code for the financial year. The directors have instead agreed to act within the governance framework set out by its parent company FirstGroup plc ("the group"). The group's governance framework and compliance with the UK Corporate Governance Code are described in group's Annual Report which does not form part of this report. Details of where the group's Annual Report can be found are set out in note 12.

The directors believe that the group's governance arrangements are fit for purpose and help the company meet its business goals.

The UK Corporate Governance Code applies to the following arrangements within the company specifically:

- The board of directors is made of three directors whose main responsibilities are set out in the Directors' Responsibilities Statement. The board's composition includes an employee director whose main responsibility is to bring the voice of the workforce to the boardroom;
- The board of directors meets a number of times per year on an ad hoc basis, as dictated by business needs. Papers are circulated in advance and the Company Secretary is available to brief those directors who are not available to attend meetings in person due to prior unavoidable commitments; and
- The board of directors maintains a continuous dialogue with its shareholders.

FirstBus (North) Limited

Directors' report (continued)

Independent auditors

PricewaterhouseCoopers LLP have expressed a willingness to continue as the Company's auditors for the year ending 26 March 2022.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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 also 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.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The company has passed an elective resolution dispensing with the requirement to appoint auditors annually. PricewaterhouseCoopers LLP have expressed a willingness to continue as the Company's Independent Auditor for the year ending 26 March 2023.

Approved by the board of directors and signed on its behalf by:



C Brown
Director

15 December 2022

Independent auditors' report to the directors of FirstBus (North) Limited

Report on the audit of the financial statements

Opinion

In our opinion, FirstBus (North) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 26 March 2022 and of its loss for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the statement of financial position as at 26 March 2022; the income statement and statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the period ended 26 March 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is 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 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 company or to cease operations, or have no realistic alternative but to do so.

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate accounting entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management in consideration of known or suspected instances of non-compliance with laws and regulations and fraud
- auditing certain unusual or unexpected journal entries to improve financial performance; and
- auditing accounting estimates for potential management bias

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's directors as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

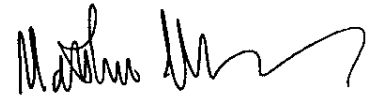
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Matthew Mullins (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Watford

16 December 2022

FirstBus (North) Limited
Income Statement
For the year ended 26 March 2022

	Note	2022 £000	2021 £000
Operating result			
Reversal of impairment of investments	3	4,337	9,942
Impairment of investments	3	(6,050)	(11,916)
Loss before taxation		(1,713)	(1,974)
Tax on loss	6	-	-
Loss for the financial year		<u>(1,713)</u>	<u>(1,974)</u>

All activities relate to continuing operations.

There are no recognised gains, losses, other comprehensive income or expenses other than those reflected in the income statement for the current or preceding year. Accordingly, no separate statement of comprehensive income has been presented.

FirstBus (North) Limited
Statement of Financial Position
As at 26 March 2022

	Note	2022 £000	2021 £000
Fixed assets			
Investments	7	99,721	101,434
		<u>99,721</u>	<u>101,434</u>
Current Assets			
Debtors: amounts falling due after one year	8	1,186	1,186
		<u>1,186</u>	<u>1,186</u>
Net assets		<u>100,907</u>	<u>102,620</u>
Capital and reserves			
Called up share capital	9	28,010	28,010
Share premium account		139,865	139,865
Profit and loss account		(66,968)	(65,255)
		<u>100,907</u>	<u>102,620</u>
Total shareholders' funds		<u>100,907</u>	<u>102,620</u>

The notes on pages 11 to 15 are an integral part of these financial statements.

The financial statements on pages 8 to 15 were approved by the Board of Directors on 15 December 2022 and signed on its behalf by:



C. Brown
Director

FirstBus (North) Limited
Statement of Changes in Equity
For the year ended 26 March 2022

	Called up share capital £000	Share Premium £000	Profit and loss account £000	Total share- holders' funds £000
At 29 March 2020	28,010	139,865	(63,281)	104,594
Loss for the financial year	-	-	(1,974)	(1,974)
At 27 March 2021	28,010	139,865	(65,255)	102,620
Loss for the financial year	-	-	(1,713)	(1,713)
At 26 March 2022	28,010	139,865	(66,968)	100,907

FirstBus (North) Limited

Notes to the Financial Statements

For the year ended 26 March 2022

1. Accounting policies

The accounting policies are summarised below. They have all been applied consistently throughout the current and prior year.

General information and basis of accounting

FirstBus (North) Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is 8th Floor The Point, 37 North Wharf Road, London, W2 1AF. FirstBus (North) Limited is a private company limited by shares and is registered in England and Wales. The nature of the company's operations and its principal activity are set out in the Strategic Report on page 1.

The financial statements for the year ended 26 March 2022 include the results and financial position for the company for the year ended 26 March 2022 and the financial statements for the year ended 27 March 2021 include the results and financial position of the company for the year ended 27 March 2021.

The functional currency of FirstBus (North) Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates. The financial statements are also presented in pounds sterling.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

Under the provisions of section 400 of the Companies Act 2006, the company is exempt from preparing consolidated financial statements by virtue of the fact that the company is a subsidiary of FirstGroup plc which prepares group financial statements. These financial statements therefore present information about the company as an individual undertaking and not as a group.

FirstBus (North) Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and intra-group transactions.

Going concern

At 26 March 2022 the company had cash of £nil (2021: £nil), net current assets of £1.2 million (2021: £1.2 million), net assets of £100.9 million (2021: £102.6 million) and made a loss of £1.7 million (2021: £2.0 million).

FirstGroup plc has provided the directors of the company with a letter confirming that it will provide support to the company, such that it is able to meet its obligations for a period of at least 12 months from the date of signing of these financial statements. The directors have made enquiries and understand that the parent company has adequate resources to be able to provide this financial support. This has been taken into account in the going concern assessment for the company.

The directors of the company also noted from the Group's full year results for the year ended 26 March 2022 that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for at least the 12 month period from the date on which the Group financial statements were approved. The Group considered whether any material uncertainties exist that cast doubt on the Group's ability to continue as a going concern over the next 12 months. Consistent with prior years, the Group's going concern assessment was based on a review of future trading projections, including whether the banking covenants are likely to be met and whether there is sufficient committed facility headroom to accommodate future cash flows for the going concern period. Further, the company has access to the FirstGroup plc's overdraft facility and receives a letter of support from the Group.

After making appropriate enquiries and considering the current economic climate the directors have formed the conclusion that there is a reasonable expectation that the company will continue in operational existence and have adequate resources in the foreseeable future.

FirstBus (North) Limited
Notes to the Financial Statements (continued)
For the year ended 26 March 2022

1. Accounting policies (continued)

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The taxation liability is reduced wholly or in part by the surrender of losses by group undertakings. The tax benefits arising from group relief are recognised in the financial statements of the surrendering undertakings.

The charge for taxation is based on the result 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 taxation is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Investments

Fixed asset investments are shown at cost less provision for impairment.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established (provided that it is probable that the economic benefit will flow to the company and the amount of revenue can be measured reliably).

Financial instruments

All financial assets and liabilities are recognised in accordance with sections 11 and 12 of FRS102, when the company becomes a party to the contractual provisions of the instrument and are measured at transaction price (including transaction cost).

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with the generally accepted accounting principles requires the use of estimates and assumptions that affect the reporting amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge, actual results may ultimately differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

In the process of applying the company's accounting policies as described above, management have made the following judgements and estimates that have the most significant effect on the amounts recognised in the financial statements.

Critical accounting judgements

Impairment of investments

At each balance sheet date, the directors review the investment in subsidiary companies to determine if there is any indication that those assets have suffered an impairment. If the recoverable amount of the asset is estimated to be less than the carrying amount an impairment loss is recognised as an expense immediately.

The directors do not consider there to be any key sources of estimation uncertainty.

3. Loss before taxation

At the year end the directors reviewed the value of the investment in subsidiary companies. This review identified that there should be an impairment provision of £6,050,000 in relation to certain investments (2021: £11,916,000) and a reversal of impairment provision of £4,337,000 (2021: impairment provision £9,942,000).

Fees for the audit of the financial statements for the year of £7,500 (2021: £7,500) have been borne by other group companies. There have been no non-audit fees in the current and prior year borne by other group companies.

FirstBus (North) Limited
Notes to the Financial Statements (continued)
For the year ended 26 March 2022

4. Employee numbers and costs

The company had no employees during the current and prior year.

5. Directors' remuneration

Remuneration received by the directors in relation to qualifying services for the current year was £nil (2021: £nil).

6. Tax on profit/(loss)

There is no tax charge as there has been no taxable activity in either year. The standard rate of taxation for the year is therefore nil rather than the UK standard rate of 19% (2021: 19%). The UK government announced in the Budget on 3 March 2021 an intention to increase the UK corporation tax rate from 19% to 25% with effect from 1 April 2023. This change will impact the tax charged on profits from the effective date. As the company has no transactions that give rise to timing differences, this rate change has no impact on these financial statements.

The tax charge for the current and previous year differed from the standard rate for the reasons set out in the following reconciliation:

	2022	2021
	£000	£000
Loss before tax	(1,713)	(1,974)
Tax on loss at standard UK corporation tax rate of 19% (2021: 19%)	(325)	(375)
Factors affecting charge		
- Non-deductible expense	325	375
Total tax charge on loss	<u>-</u>	<u>-</u>

7. Investments

	Subsidiary undertakings £000
Cost	
At 28 March 2021 and 26 March 2022	<u>214,691</u>
Accumulated impairment losses	
At 28 March 2021	(113,257)
Impairment reversal for the year	4,337
Impairment charge for the year	(6,050)
At 26 March 2022	<u>(114,970)</u>
Carrying Value	
At 26 March 2022	<u>99,721</u>
At 27 March 2021	<u>101,434</u>

FirstBus (North) Limited
Notes to the Financial Statements (continued)
For the year ended 26 March 2022

7. Investments (continued)

Provision for impairment

At the year end the directors performed a review of the carrying value of the fixed asset investments which concluded that there should be a reduction in the carrying value of investments of £1.7 million. The review concluded that investment First Scotland East Limited should be impaired by £6.0 million. The review also concluded that existing impairments of £4.3m in First Glasgow No2 Limited were no longer supported and therefore should be reversed.

During the prior year, the company identified that the investments in First Scotland East Limited, First Aberdeen Limited, First York Limited and Quickstep Travel Limited should be impaired because the recoverable amount of the investment was determined to be lower than the carrying value.

The subsidiary undertakings at the end of the year are:

Subsidiaries incorporated in the United Kingdom:

Name	Address	Principal Activity	Holding	%
First Aberdeen Limited	1	Local bus operators	Ordinary	100
First Ashton Limited*	5	Dormant	Ordinary	100
First Scotland East Limited	2	Local bus operators	Ordinary	100
First Glasgow (No.1) Limited	3	Local bus operators	Ordinary	100
First Glasgow (No.2) Limited	3	Local bus operators	Ordinary	100
First York Limited	4	Local bus operators	Ordinary	100
First West Yorkshire Limited	4	Local bus operators	Ordinary	100
First North West Limited	5	Holding company	Ordinary	100
Quickstep Travel Limited	4	Dormant	Ordinary	100
G E Mair Hire Services Limited*	1	Dormant	Ordinary	100
Kirkpatrick of Deeside Limited*	1	Dormant	Ordinary	100
Eastern Scottish Omnibuses Limited*	2	Local bus operators	Ordinary	100
Midland Bluebird Limited*	2	Local bus operators	Ordinary	100
Nicecon Limited*	1	Dormant	Ordinary	50
Strathclyde Buses Limited*	3	Dormant	Ordinary	100
KCB Limited*	3	Dormant	Ordinary	100
Kelvin Central Buses Limited*	3	Dormant	Ordinary	100
Kelvin Scottish Omnibuses Limited*	3	Dormant	Ordinary	100
First Manchester Limited*	5	Local bus operators	Ordinary	100
Bolton Coachways and Travel Limited*	5	Dormant	Ordinary	100
First North West (Schools) Limited*	5	Dormant	Ordinary	100
GMBN Employees Share Scheme Trustee Limited*	5	Dormant	Ordinary	100
First Potteries Limited*	6	Local bus operators	Ordinary	100
Chester City Transport Limited*	5	Dormant	Ordinary	100
First Pioneer Bus Limited*	5	Dormant	Ordinary	100

* Held indirectly by FirstBus (North) Limited.

All shares held in subsidiary undertakings are ordinary shares.

Registered offices address;

1. 395 King Street, Aberdeen, AB24 5RP
2. Carmuir House, 300 Stirling Road, Larbert, Stirlingshire, FK5 3NJ
3. 100 Cathcart Road, Glasgow, G42 7BH
4. Hunslet Park Depot, Donisthorpe Street, Leeds, Yorkshire, LS10 1PL
5. Wallshaw Street, Oldham, OL1 3TR
6. First Leicester, Abbey Lane, Leicester, LE4 0DA

FirstBus (North) Limited
Notes to the Financial Statements (continued)
For the year ended 26 March 2022

8. Debtors: amounts falling due after one year

	2022 £000	2021 £000
Amounts owed by group undertakings	1,186	1,186

Amounts owed by group undertakings are trading amounts which are non-interest bearing and repayable on demand.

9. Called up share capital and reserves

	2022 £000	2021 £000
Allotted, called up and fully paid		
At 27 March 2021 and 26 March 2022	28,010	28,010

The company has one class of ordinary shares which carry full voting, dividend and capital distribution rights.

The company's other reserves are as follows:

The profit and loss reserve represents cumulative profits and losses net of dividends paid and other adjustments.

The share premium account contains the premium arising on the issue of equity shares, net of issue expenses.

10. Contingent liabilities

The company has given unsecured guarantees for the liabilities of its subsidiary undertakings arising under certain operating leases. These guarantees have been provided on a joint and several basis with other companies within FirstGroup and with an external joint venture partner in relation to the operations of Somerset Passenger Solution Limited.

11. Related party transactions

The company is taking advantage of the exemption under FRS 102 (para 33.1A) "Disclosure of related party transactions" with other wholly owned group companies. The ultimate parent company, FirstGroup plc, has prepared consolidated financial statements which include the results of the company and are available to the public.

12. Ultimate parent company

The directors regard FirstGroup plc, a company incorporated in the United Kingdom and registered in Scotland, as the ultimate parent and controlling company, which is the smallest and largest group that includes the company's results and for which Group financial statements are prepared.

Copies of the financial statements of FirstGroup plc can be obtained on request from 395 King Street, Aberdeen, AB24 5RP, the registered address.

13. Events after the reporting period

Subsequent to the balance sheet date, the company has monitored the business performance, internal actions, as well as other relevant external factors (such as changes in any of the government restrictions and policy guidance). No adjustments to the key estimates and judgements that impact the balance sheet as at 26 March 2022 have been identified.

On 21 September 2022, the company sold 100% of the shares in First Scotland East Limited, Midland Bluebird Limited, Nicecon Limited and Eastern Scottish Omnibuses Limited.

On 16 November 2022 the company's share premium account of 139,865,000 was reduced to zero and the amount so reduced was applied to credit the distributable reserves by the same amount.