

# SCOTO Limited

Annual report and financial statements for the year ended 30 April 2016

Registered office:

Daw Bank  
Stockport  
Cheshire  
SK3 0DU

Registered number:

3795345



The directors are pleased to present their Strategic report for the year ended 30 April 2016.

**Review of business**

The principal activity of the Company is in holding investments and loans to group subsidiary companies. The Company also holds a number of properties on finance lease which it sub-leases to various group undertakings in return for rental income.

The Company continues to look for investment and rental opportunities in the coming year.

**Principal risks and uncertainties**

The Company's activities expose it to a variety of financial risks including the effects of changes in interest rates and foreign exchange rates. The directors of Stagecoach Group plc, the Company's ultimate parent, consider these financial risks in the context of the Group as a whole. For this reason, the Company's directors believe that a discussion of the Group's financial risks would not be appropriate for an understanding of the performance or position of the Company's business. The principal risks and uncertainties of Stagecoach Group plc, which include the impact of those of the Company, are discussed in the Group's annual report (section 1.4.6 of the Strategic report), which does not form part of this report.

**Key performance indicators (KPIs)**

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. Discussion on the KPIs affecting the Group as a whole can be found in the Group's 2015 annual report (section 1.4.7 of the Strategic report), which does not form part of this report.

On behalf of the Board

  
Colin Brown  
Director  
5 September 2016

**Directors' report**  
**For the year ended 30 April 2016**

Registered number: 3795345

The directors are pleased to present their annual report on the affairs of the Company, together with the audited financial statements and independent auditors' report for the year ended 30 April 2016.

**Results and dividends**

The Company reported a profit before taxation of £147.4m (2015: £42.9m).

The directors declared and paid interim ordinary dividends of £140,000,000 (2015: £50,500,000). The directors do not propose a final ordinary dividend (2015: £Nil).

**Directors**

The directors of the Company who served during the year and up to the date of approval of the financial statements are listed below.

John Hamilton  
Colin Brown

**Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic report, 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; 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 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Indemnification of directors and officers**

The Company's ultimate parent maintains Directors' and Officers' Liability Insurance in respect of legal action that might be brought against the directors and officers of the company. The ultimate parent has indemnified each of its directors and other officers of the Company against certain liabilities that may be incurred as a result of their positions with the Group.

**Directors' report (continued)**  
**For the year ended 30 April 2016**

Registered number: 3795345

**Land and buildings**

In the opinion of the Directors, there is no material difference between the open market value of the Company's interest in land and buildings and its net book value.

**Independent auditors and statement of disclosure of information to auditors**

In the case of each of the persons who are directors of the Company at the date when this report was approved:

- So far as each of the directors are aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditors are unaware; and
- Each of the directors has taken steps that he ought to have taken as a director to make himself aware of any relevant audit information (as defined) and to establish that the Company's auditors are aware of that information.

Following Stagecoach Group's external audit tender process, Ernst & Young LLP shall become the company's auditors in the next financial year.

By order of the Board



Michael Vaux  
Company Secretary  
5 September 2016

# **Independent auditors' report**

## **For the year ended 30 April 2016**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCOTO LIMITED**

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#### **Report on the financial statements**

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##### **Our opinion**

In our opinion, SCOTO Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 April 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

##### **What we have audited**

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the Balance sheet as at 30 April 2016;
- the Income statement for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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

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

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#### **Other matters on which we are required to report by exception**

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##### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

##### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

## **Independent auditors' report (continued)**

**For the year ended 30 April 2016**

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### **Responsibilities for the financial statements and the audit**

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#### **Our responsibilities and those of the directors**

As explained more fully in the Statement of directors' responsibilities set out on page 2, 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members 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.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Martin Cowie (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Glasgow  
5 September 2016

**Income statement**  
For the year ended 30 April 2016

	Notes	2016 £000	2015 £000
Revenue	2	6,684	9,191
Other operating income		140,040	34,539
<b>Operating profit</b>		<b>146,724</b>	<b>43,730</b>
Gain/(loss) on disposal of properties		652	(843)
<b>Profit before interest and taxation</b>	3	<b>147,376</b>	<b>42,887</b>
Finance costs	4	(24,190)	(44,306)
Finance income	4	24,190	44,306
<b>Profit before taxation</b>		<b>147,376</b>	<b>42,887</b>
Taxation	5	(1,524)	(1,924)
<b>Profit for the financial year</b>		<b>145,852</b>	<b>40,963</b>

The accompanying notes are an integral part of this income statement.

The results for each year reported above are derived wholly from continuing operations.

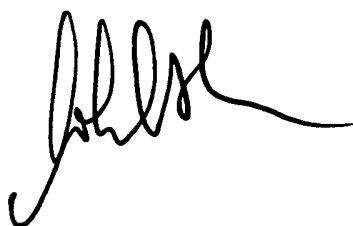
**Balance sheet**  
As at 30 April 2016

	Notes	2016 £000	2015 £000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Tangible assets	7	148,606	137,538
Investments	8	1,357,946	1,333,756
		<u>1,506,552</u>	<u>1,471,294</u>
<b>Current assets</b>			
Receivables	9	164	29
Cash and cash equivalents		38,561	48,898
		<u>38,725</u>	<u>48,927</u>
<b>Total assets</b>		<u>1,545,277</u>	<u>1,520,221</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	10	(525,967)	(506,762)
<b>Non-current liabilities</b>			
Provisions for liabilities and charges	11	(374)	(375)
<b>Total liabilities</b>		<u>(526,341)</u>	<u>(507,137)</u>
<b>Net assets</b>		<u>1,018,936</u>	<u>1,013,084</u>
<b>EQUITY</b>			
Ordinary share capital	12	803	803
Share premium account		948,517	948,517
Retained earnings		6,441	589
Capital contribution reserve		63,175	63,175
<b>Total equity</b>		<u>1,018,936</u>	<u>1,013,084</u>

The accompanying notes are an integral part of this balance sheet.

The financial statements on pages 6 to 24 were approved by the Board of Directors on 5 September 2016 and signed on its behalf by:

Colin Brown  
Director





**Statement of changes in equity**  
For the year ended 30 April 2016

	Ordinary share capital £000	Share premium £000	Capital contribution reserve £000	Retained earnings £000	Total equity £000
<b>As at 30 April 2014</b>	<b>803</b>	<b>948,517</b>	<b>63,175</b>	<b>10,126</b>	<b>1,022,621</b>
Profit for the financial year	-	-	-	40,963	40,963
Dividend	-	-	-	(50,500)	(50,500)
<b>Total comprehensive expense for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,537)</b>	<b>(9,537)</b>
<b>As at 30 April 2015</b>	<b>803</b>	<b>948,517</b>	<b>63,175</b>	<b>589</b>	<b>1,013,084</b>
Profit for the financial year	-	-	-	145,852	145,852
Dividend	-	-	-	(140,000)	(140,000)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,852</b>	<b>5,852</b>
<b>As at 30 April 2016</b>	<b>803</b>	<b>948,517</b>	<b>63,175</b>	<b>6,441</b>	<b>1,018,936</b>

# Notes to the financial statements

For the year ended 30 April 2016

## 1. Accounting policies

A summary of the principal accounting policies is set out below. All principal accounting policies have been applied consistently throughout the year and the preceding year.

### *(a) Basis of preparation*

The Company is a private limited company registered in England. The address of the Company's registered office is shown on the cover page and a description of the Company's principal activities are set out on page 1.

These financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 (the Act).

The Company's date of transition from UK Generally Accepted Accounting Practice (UK GAAP) to FRS 101 was 1 May 2014. The effect of transition from the Company's previously adopted accounting policies in accordance with UK GAAP are immaterial.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46-52 of IFRS 2, 'Share-based payment'
- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 10(d), 10(f), 16, 38A-D, 40A-D, 111 and 134-136 of IAS 1 'Presentation of financial statements'
- IAS 7, 'Statement of cash flows'
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors'
- Paragraph 17 of IAS 24, 'Related party disclosures'

The Company has notified its shareholders in writing about, and they do not object to, the use of the disclosure exemptions used by the company in these financial statements.

The Company has sufficient financial resources with which the directors believe that the Company is well placed to manage its business risks successfully, despite the current uncertain economic outlook. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### *(b) Basis of consolidation*

The Company is a wholly owned subsidiary of another UK company, Stagecoach Group plc, which prepares consolidated financial statements including the Company. As permitted by Section 400 of the Companies Act 2006, the Company has not prepared consolidated financial statements.

### *(c) Cash flow statement*

As permitted by IAS 7 the Company has not prepared a cash flow statement as it is a wholly owned subsidiary of another United Kingdom company, Stagecoach Group plc, which prepares consolidated financial statements, which include a consolidated cash flow statement.

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 1. Accounting policies (continued)

#### *(d) Investments*

Equity investments outwith the scope of IAS 39 "Financial instruments: Recognition and measurement" are shown at cost less provision for impairment. An impairment loss is recognised for the amount by which the carrying amount of the net investment exceeds its recoverable amount, being the higher of net realisable value and value in use. The value in use is determined using a pre-tax discount rate which reflects our current market assessments of the risks specific to the investment.

#### *(e) Foreign currency*

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities (including amounts due from or to other group companies) denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any exchange differences arising from the movement in rate of exchange are included in the income statement.

Where the Company has designated foreign currency borrowings as a fair value hedge against its foreign equity investments, the part of that investment which has been hedged is treated as a monetary asset and retranslated at the spot rate at the balance sheet date.

Exchange differences arising on the translation of foreign currency equity investments and on foreign currency borrowings (including loans from other group companies), to the extent the borrowings hedge the equity investments, are dealt with within finance income and finance charges in the income statement.

#### *(f) Taxation*

Tax, current and deferred is calculated using tax rates and laws enacted or substantively enacted at the balance sheet date.

Corporation tax is provided on taxable profits at the current rate applicable. Tax charges and credits are accounted for through the same primary statement as the related pre-tax item.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is measured at the rates that are expected to apply in periods in which the temporary differences reverse based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

#### *(g) Dividends*

Dividends on ordinary shares are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders, or in the case of interim dividends, in the period in which they are paid.

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 1. Accounting policies (continued)

#### *(h) Tangible non-current assets*

Tangible non-current assets include investments properties which are held at historical cost at acquisition less accumulated depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. The option to fair value property held as investment property has not been applied.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of assets on a straight line basis over their estimated useful lives, as follows:

Investment property	Shorter of 50 years or period of lease
Fixtures & Fittings	3-5 years straight line

Land is not depreciated.

#### *(i) Related party transactions*

The Company has taken advantage of the IAS 24 exemption from having to provide details of transactions with fellow wholly owned group undertakings.

#### *(j) Revenue*

Rental income is received from other operating companies within the Group and is shown net of costs of ownership of the properties. Rental income is recognised for the period in which it relates.

#### *(k) Other operating income*

Other operating income consists of investment and other income.

Investment income comprises income from investment holdings. Income is accounted for on a receivable basis. Dividends receivable are recognised on the date on which they are declared.

#### *(l) Financial instruments*

The Company has the following non-derivative financial instruments: trade and other receivables, cash and cash equivalents and trade and other payables. The measurement for each of these is as follows:

##### *Trade and other receivables*

Other receivables are carried at original invoice amount less provision made for impairment of these receivables. Where the time value of money is material, receivables are carried at amortised cost.

##### *Cash and cash equivalents*

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents comprise cash in hand, deposits held at call with banks and other short-term highly liquid investments.

##### *Trade and other payables*

Trade payables are not interest bearing and are stated at their nominal value.

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 2. Revenue

	2016 £000	2015 £000
Depreciation – owned assets	(258)	(232)
Depreciation – leased assets	(944)	(904)
Professional fees	(87)	-
Rental income	8,068	10,419
Rent paid	(95)	(92)
	<u>6,684</u>	<u>9,191</u>

### 3. Profit before interest and taxation

The remuneration of the auditors is not settled directly by the Company. Audit fees of £3,540 (2015: £3,027) were paid by the ultimate holding company, Stagecoach Group plc, on behalf of the Company in respect of audit work performed in the UK.

The remuneration of the directors is borne by the ultimate holding company, Stagecoach Group plc and/or other group companies. No significant part of the directors' remuneration is directly attributable to the Company (2015: £Nil).

The Company has no employees (2015: Nil). All of the directors are employed by the ultimate holding company or other group companies.

### 4. Finance costs and income

	2016 £000	2015 £000
<b>Finance income</b>		
Translation gain on foreign currency net investment	<u>24,190</u>	<u>44,306</u>
<b>Finance costs</b>		
Translation loss on foreign currency borrowings used to hedge net investment	<u>(24,190)</u>	<u>(44,306)</u>
<b>Net finance income</b>	<u>-</u>	<u>-</u>

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 5. Taxation

#### (a) Tax recognised in the income statement

	2016 £000	2015 £000
<i>Current tax:</i>		
UK corporation tax on profits of the year	1,527	2,111
Adjustments in respect of prior year	(2)	(242)
Total current tax	1,525	1,869
<i>Deferred tax:</i>		
Origination and reversal of temporary differences	6	40
Adjustments in respect of prior years	(7)	15
Total deferred tax (note 11)	(1)	55
Total tax on profit	1,524	1,924

#### (b) Factors affecting the tax charge for the year

The tax assessed for the year is equal to (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20.92%). The differences are explained below.

	2016 £000	2015 £000
<b>Profit on ordinary activities before taxation</b>	<b>147,376</b>	<b>42,887</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 20.92%)	29,475	8,972
<i>Effect of:</i>		
Non tax deductible expenditure and other permanent differences	111	406
Treatment of intercompany transactions	(11)	(8)
UK dividends	(28,000)	(7,217)
Impact of reduction in UK tax rate on current year deferred tax	(5)	(2)
Impact of reduction in UK tax rate on prior year deferred tax	(37)	-
Adjustment in respect of prior year	(9)	(227)
<b>Current tax charge for the year</b>	<b>1,524</b>	<b>1,924</b>

#### (c) Factors that may affect future tax charges

The deferred tax balances have been calculated with reference to the enacted UK corporation tax rates of 20% to 31 March 2017, 19% from 1 April 2017 and 18% from 1 April 2020 (2015: 20%). A planned reduction in the rate to 17% has yet to be substantively enacted.

Had this reduction in rate to 17% been substantively enacted at 30 April 2016, the estimated impact on the balance sheet would be a reduction in the deferred tax liability of £20,796.

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 6. Dividends

Dividends payable were as follows:

	2016 £000	2015 £000
<i>Dividends payable on equity shares:</i>		
Interim dividend paid of £1,917.34 per ordinary share (2015: £691.61) in the year	140,000	50,500

### 7. Tangible non-current assets

The movement on tangible non-current assets during the year was as follows:

	Investment properties £000	Fixtures & Fittings £000	Total £000
<b>Cost or valuation</b>			
At beginning of year	150,076	98	150,174
Additions	11,368	127	11,495
Transferred in	2,479	-	2,479
Disposals	(2,394)	-	(2,394)
<b>At end of year</b>	<b>161,529</b>	<b>225</b>	<b>161,754</b>
<b>Accumulated depreciation</b>			
At beginning of year	(12,538)	(98)	(12,636)
Charge for year	(1,201)	(1)	(1,202)
Transferred in	(47)	-	(47)
Disposals	737	-	737
<b>At end of year</b>	<b>(13,049)</b>	<b>(99)</b>	<b>(13,148)</b>
<b>Net book value</b>			
At beginning of year	137,538	Nil	137,538
<b>At end of year</b>	<b>148,480</b>	<b>126</b>	<b>148,606</b>

Included in investment properties above are assets held on long-term leases with a net book value of £129.6m (2015: £128.4m). Depreciation of £0.9m (2015: £0.9m) has been charged in the year in respect of these assets. Land amounting to £95.8m (2015: £96.6m) has not been depreciated.

### 8. Investments

	2016 £000	2015 £000
<b>Cost and net book value</b>		
At beginning of year	1,333,756	1,289,450
Fair value hedge - translation adjustment	24,190	44,306
<b>At end of year</b>	<b>1,357,946</b>	<b>1,333,756</b>

# Notes to the financial statements (continued)

For the year ended 30 April 2016

## 8. Investments (continued)

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The Company owns the following subsidiary undertakings (ordinary shares 100% owned and 100% voting rights unless otherwise stated):

	<u>Country of registration</u>	<u>Principal activity</u>
3329003 Canada Inc	Canada	Bus service operating company
3376249 Canada Inc	Canada	Bus service operating company
349 First Street Urban Renewal Corporation	United States	Holding company
4216849 Canada Inc	Canada	Bus service operating company
777 8th Avenue LLC (50%)	United States	Sightseeing company
A1 Service Limited	Scotland	Dormant company
AA Buses Limited	Scotland	Dormant company
Aberdare Bus Company Limited	England	Dormant company
All West Coachlines Inc	United States	Bus service operating company
American Coach Lines of Atlanta Inc	United States	Bus service operating company
American New York Tours Corporation	United States	Bus service operating company
American Tour Connection Inc	United States	Bus service operating company
Andrews (Sheffield) Limited	England	Bus service operating company
Atlanta Airport Shuttle Inc	United States	Dormant company
B&B Bus Company Inc	United States	Bus service operating company
Barclay Airport Service Inc	United States	Bus service operating company
Barclay Transportation Services Inc	United States	Bus service operating company
Basichour Limited	England	Dormant company
Bayline Limited	England	Dormant company
Bluebird Buses Limited	Scotland	Bus service operating company
Busways Travel Services (1986) Limited	England	Dormant company
Busways Travel Services Limited	England	Bus service operating company
Busways Trustee (No. 1) Limited	England	Dormant company
Busways Trustee (No. 2) Limited	England	Dormant company
Butler Motor Transit Inc	United States	Bus service operating company
CAM Leasing LLC	United States	Intercompany leasing
Cambus Limited	England	Bus service operating company
Cape Transit Corporation	United States	Dormant company
Central Cab Company Inc	United States	Bus service operating company
Central Charters & Tours Inc	United States	Bus service operating company
Central Jersey Transit Inc	United States	Bus service operating company
Century Airline Services Inc	Canada	Bus service operating company



## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 8. Investments (continued)

Cheltenham and Gloucester Omnibus Company Limited	England	Bus service operating company
Cheltenham District Traction Limited	England	Dormant company
Chenango Valley Bus Lines Inc	United States	Bus service operating company
Chesterfield Transport (1989) Limited	England	Dormant company
Chesterfield Transport EBT (no. 2)	England	Dormant company
Chesterfield Transport Limited	England	Dormant company
Chesterfield Transport PST Limited	England	Pension guarantor company
Cisko Bus Company	United States	Bus service operating company
City Sightseeing Limited (12.5%)	England	Sightseeing company
Cleveland Transit Limited	England	Bus service operating company
Cleveland Transit Trustee (No. 1) Limited	England	Dormant company
Clinton Avenue Bus Company	United States	Bus service operating company
Coach Leasing Inc	United States	Intercompany leasing
Coach USA Administration Inc	United States	Holding Company
Coach USA Inc	United States	Holding company
Coach USA Investment Inc	United States	Dormant company
Coach USA MBT LLC	United States	Support services company
Coach USA Tours - Las Vegas Inc	United States	Dormant company
Colonial Coach Corporation	United States	Bus service operating company
Commodore Tours Inc	United States	Bus service operating company
Community Bus Lines Inc	United States	Bus service operating company
Community Coach Inc	United States	Bus service operating company
Community Tours Inc	United States	Bus service operating company
Community Transit Lines Inc	United States	Bus service operating company
Community Transportation Inc	United States	Bus service operating company
County Wide Travel Limited	England	Bus service operating company
Cumberland Motor Services Limited	England	Dormant company
Devon General Limited	England	Dormant company
Dillon's Bus Service Inc	United States	Bus service operating company
Douglas Braund Investments Limited	Canada	Bus service operating company
Dragon Bus LLC	United States	Dormant company
E&A Bus Company	United States	Bus service operating company
East Kent Coaches Limited	England	Dormant company
East Kent Road Car Company Limited	England	Bus service operating company
East London Bus and Coach Company Limited	England	Bus service operating company
East London Bus Group Property Investments Limited	England	Property rental
East London Bus Limited	England	Bus service operating company

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 8. Investments (continued)

East Midland Motor Services Limited	England	Dormant company
East Midlands Transport Information Service Limited (28%)	England	Information services company
Eastbourne Buses Limited	England	Dormant company
Eastbourne Coaches Limited	England	Dormant company
Elizabeth Bus Company	United States	Bus service operating company
ELKO Inc	United States	Bus service operating company
Fife Scottish Omnibuses Limited	Scotland	Bus service operating company
Fleet Buzz Limited	England	Bus service operating company
Formia Limited	England	Dormant company
Frenchwood Holdings Limited	England	Dormant company
Friedman Transportation Inc	United States	Bus service operating company
G&G Travel Limited	England	Dormant company
Gad About Tours Inc	United States	Bus service operating company
Generic Holding Inc	United States	Dormant company
Gilsam Bus Company Inc	United States	Bus service operating company
GL Bus Lines Inc	United States	Bus service operating company
Glenvale Transport Limited	England	Bus service operating company
Glossopdale Bus Company Limited	England	Dormant company
GM Buses South (EBT) Limited	England	Dormant company
Go West Travel Limited	England	Bus service operating company
Gray Line Air Shuttle Inc	United States	Dormant company
Gray Line New York Tours Inc (50%)	United States	Holding company
Greater Manchester Buses South Limited	England	Bus service operating company
Greater Manchester Buses West Limited	England	Bus service operating company
Grimsby Cleethorpes Transport Company Limited	England	Dormant company
Halliday-HartleTravel (1988) Limited	England	Dormant company
HAML Corporation	United States	Bus service operating company
Hartlepool Transport (1993) Limited	England	Dormant company
Hartlepool Transport Limited	England	Dormant company
Hastings and District Transport Limited	England	Dormant company
High Adventure Tours Inc	United States	Dormant company
Highland Country Buses Limited	Scotland	Bus service operating company
Hudson Transit Corporation	United States	Bus service operating company
Hudson Transit Lines Inc	United States	Bus service operating company
Independent Bus Company Inc	United States	Bus service operating company
International Bus Services Inc	United States	Holding company

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 8. Investments (continued)

J&J Bus Company	United States	Bus service operating company
J&J Transit Inc	United States	Dormant company
J&L Bus Company	United States	Bus service operating company
Jeredin Cruises LLC (50%)	United States	Sightseeing company
JMB Property LLC (50%)	United States	Property rental
JW Coaches Limited	Scotland	Dormant company
Kansas Bus Company	United States	Bus service operating company
Keeshin Charter Service Inc	United States	Dormant company
Kerrville Bus Company	United States	Bus service operating company
KHCT (ESOP) Limited	England	Dormant company
KHCT (Holdings) Limited	England	Dormant company
KILT of CT Inc (previously The Arrow Line Inc)	United States	Dormant company
KILT of MA Inc (previously Mini Coach of Boston Inc)	United States	Dormant company
KILT of RI Inc (previously Bonanza Bus Lines)	United States	Dormant company
Kingston Upon Hull City Transport Limited	England	Dormant company
Lakefront Lines Inc	United States	Bus service operating company
Landylines Limited	England	Bus service operating company
Leisure Time Tours	United States	Bus service operating company
Lenzner Tours Inc	United States	Bus service operating company
Lenzner Tours Limited	United States	Dormant company
Lenzner Transit Inc	United States	Dormant company
Lenzner Transportation Group Inc	United States	Bus service operating company
LER Transportation Company	United States	Dormant company
Liberty Bell Taxi Company Inc	United States	Dormant company
Limousine Rental Service Inc	United States	Bus service operating company
Lincoln City Transport Limited	England	Dormant company
Lincolnshire Road Car Company Limited	England	Bus service operating company
M&J Bus Company	United States	Bus service operating company
Magicbus Scotland Limited	Scotland	Holding company
Massachusetts Bay Transportation Services LLC	United States	Dormant company
Meadowlands Transit Inc	United States	Dormant company
Megabus Acquisition LLC	United States	Dormant company
Megabus Northeast LLC	United States	Inter-city coach operating company
Megabus Philadelphia LLC	United States	Dormant company

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 8. Investments (continued)

Megabus Southeast LLC	United States	Inter-city coach operating company
Megabus Southwest LLC	United States	Inter-city coach operating company
Megabus USA LLC	United States	Inter-city coach operating company
Megabus West LLC	United States	Inter-city coach operating company
Megabus.com BVBA	Belgium	Inter-city coach operating company
Megabus.com Europe Limited	England	Inter-city coach operating company
Megabus.com GmbH	Germany	Inter-city coach operating company
Megabus.com SAS	France	Inter-city coach operating company
Megabus.com SRL	Italy	Inter-city coach operating company
Megacity Limited (35%)	Scotland	Dormant company
Midland Red (South) Limited	England	Dormant company
Midtown Bus Terminal New York Inc	United States	Bus service operating company
Minsol Bus Company Inc	United States	Bus service operating company
Mister Sparkle Inc	United States	Dormant company
Mountaineer Coach Inc	United States	Bus service operating company
MTSI Inc	United States	Dormant company
National Transport Tokens (99.9%)	England	Dormant company
New Delaware Coach Inc	United States	Dormant company
New York Splash Tours Inc LLC	United States	Dormant company
Niagara Scenic Bus Lines Inc	United States	Dormant company
Nicecon Limited	Scotland	Dormant company
North Shore Dispatch Inc	United States	Dormant company
NYCS LLC (previously City Experts LLC) (50%)	United States	Sightseeing company
Olympia Trails Bus Company Inc	United States	Bus service operating company
Orange, Newark, Elizabeth Bus Inc	United States	Bus service operating company
Orkney Coaches Limited	Scotland	Dormant company
P. Phythian and Son Limited	England	Dormant company
Pacific Coast Sightseeing Tours and Charters Inc	United States	Bus service operating company
Paramus Northeast Management Company LLC	United States	Payroll

# Notes to the financial statements (continued)

For the year ended 30 April 2016

## 8. Investments (continued)

Parfitts Motor Services Limited	England	Dormant company
PCSTC Inc	United States	Dormant company
Penn-Mall Transit Inc	United States	Dormant company
Pennsylvania Transportation Systems Inc	United States	Bus service operating company
Perfect Body Inc	United States	Repairs company
Phantom Cab Company Inc	United States	Dormant company
Powder River Transportation Services Inc	United States	Bus service operating company
PSV Claims Bureau	England	Claims handling company
PTI (South East) Limited (20%)	England	Support services company
R&W Inc	United States	Bus service operating company
R&W Transit Inc	United States	Bus service operating company
Red and Tan Charter Inc	United States	Dormant company
Red and Tan Enterprises Inc	United States	Bus service operating company
Red and Tan Tours Inc	United States	Bus service operating company
Red and Tan Transportation Systems Inc	United States	Bus service operating company
Red and Tan Unlimited Inc	United States	Bus service operating company
Red and White Services Limited	England	Bus service operating company
Rennies of Dunfermline Limited	Scotland	Dormant company
Rhondda Buses Limited	England	Dormant company
Rhondda Valley Buses Limited	England	Dormant company
Ribble Motor Services Limited	England	Dormant company
Road Runner Tours Inc	United States	Bus service operating company
Rockland Coaches Inc	United States	Bus service operating company
Rockland Transit Corporation	United States	Bus service operating company
Route 17 North Realty LLC	United States	Holding company
Sam Van Galder Inc	United States	Bus service operating company
Schoolbus Limited	Scotland	Dormant company
SCOTO US Subsidiary Limited LLC	United States	Dormant company
Scottish Citylink Coaches Limited (35%)	Scotland	Joint venture
SCUSI Limited	England	Holding company
SCUSI US Subsidiary Limited LLC	United States	Dormant company
Seven Bus Corporation	United States	Bus service operating company
Sharpton Limited	England	Dormant company
SHM Transit Inc	United States	Dormant company
Short Line Terminal Agency Inc	United States	Bus service operating company
Sightseeing Buses SL (24.5%)	Spain	Sightseeing company
SL Capital Corporation	United States	Bus service operating company
South East London and Kent Bus Company Limited	England	Bus service operating company

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 8. Investments (continued)

South Orange Avenue Bus Association Inc	United States	Bus service operating company
South Orange Avenue Bus Company	United States	Bus service operating company
Southdown Motor Services Limited	England	Dormant company
Sporran AWC Inc (previously All West Coachlines Inc)	United States	Dormant company
Sporran FL Incorporated (previously Franciscan Lines Inc)	United States	Dormant company
Sporran GBL Inc (previously Grosvenor Bus Lines Inc)	United States	Dormant company
Sporran GCBS Inc (previously Goodall's Charter Bus Services Inc)	United States	Dormant company
Sporran GCTC Inc (previously Gulf Coast Transportation Company)	United States	Dormant company
Sporran GLS Inc (previously Grosvenor Limousine Service Inc)	United States	Dormant company
Sporran TI Inc (previously Travel Impressions Limited)	United States	Dormant company
Stagecoach (North West) Limited	England	Bus service operating company
Stagecoach (South) Limited	England	Bus service operating company
Stagecoach Bus Holdings Limited	Scotland	Provision of management and administration services
Stagecoach Devon Limited	England	Bus service operating company
Stagecoach Express Limited	Scotland	Holding company
Stagecoach Glasgow Limited	Scotland	Dormant company
Stagecoach Rail North America LLC	United States	Dormant company
Stagecoach Rail Passenger Services LLC	United States	Dormant company
Stagecoach Rail Replacement (East) Limited	England	Bus service operating company
Stagecoach Rail Replacement (South) Limited	England	Bus service operating company
Stagecoach Rail Replacement Limited	England	Bus service operating company
Stagecoach Scotland Limited	Scotland	Dormant company
Stagecoach Services Limited	England	Support services company
Suburban Management Corporation	United States	Bus service operating company
Suburban Trails Inc	United States	Bus service operating company
Suburban Transit Corporation	United States	Bus service operating company
Superior Bus Company	United States	Bus service operating company
Swindon and District Bus Company Limited	England	Dormant company
Syracuse and Oswego Coach Lines Inc	United States	Dormant company
Tanport Limited	England	Dormant company

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 8. Investments (continued)

Tees Valley Limited	England	Dormant company
Thames Transit Limited	England	Bus service operating company
The Barnsley and District Traction Company Limited	England	Dormant company
The Bus Exchange Inc	United States	Bus service operating company
The Hudson Bus Transportation Company	United States	Dormant company
The Mexborough and Swinton Traction Company Limited	England	Dormant company
The Valleys Bus Company Limited	England	Dormant company
The Viscount Bus and Coach Company Limited	England	Dormant company
The Yorkshire Traction Company (Trustee) Limited	England	Dormant company
The Yorkshire Traction Company Limited	England	Bus service operating company
Trans Maintenance Inc	United States	Bus service operating company
Trans-Hudson Express Inc	United States	Bus service operating company
Transit Advertising Limited	England	Dormant company
Transportation Management Services Inc	United States	Bus service operating company
Trentway-Wagar (Properties) Inc	Canada	Bus service operating company
Trentway-Wagar Inc	Canada	Bus service operating company
Tri State Coach Lines	United States	Bus service operating company
TRT Transportation Inc	United States	Bus service operating company
Twenty-Four Corporation	United States	Bus service operating company
Twin America LLC (50%)	United States	Sightseeing company
Tyburn Limited	United States	Dormant company
Tyne and Wear Omnibus Company Limited	England	Dormant company
United Counties Omnibus Limited	England	Dormant company
Vailsburg Bus Company	United States	Dormant company
Van Nortwick Bros Inc	United States	Bus service operating company
Welcome Passenger Transport Limited	England	Dormant company
West Coast Tour Group LLC (9.38%)	United States	Sightseeing company
West Midlands Transport Information Services Limited (10%)	England	Information service company
West Sussex Buses Limited	England	Dormant company
Western Buses Limited	England	Bus service operating company
Whites World Travel Limited	England	Dormant company
Wisconsin Coach Lines Inc	United States	Bus service operating company
WJB Bus Company Inc	United States	Bus service operating company

## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 8. Investments (continued)

Wohlgemuth Bus Company	United States	Bus service operating company
XYZ-JP Taxi Inc	United States	Dormant company
XYZ-PBT Inc	United States	Dormant company
Yellow Cab Leasing Company of San Diego	United States	Dormant company
Yellow Cab of San Diego Inc	United States	Dormant company
Yellow Cab Service Corporation	United States	Dormant company
Yorkshire Terrier Limited	England	Dormant company

### 9. Receivables

	2016 £000	2015 £000
Prepayments and accrued income	164	29

### 10. Payables

	2016 £000	2015 £000
Accruals and deferred income	4,610	3,414
Amounts owed to group undertakings	519,826	501,237
Corporation tax	1,527	2,111
	<b>525,967</b>	<b>506,762</b>

Amounts owed to group undertakings bear no interest and are repayable on demand.

### 11. Provisions for liabilities and charges

	2016 £000	2015 £000
The movement in deferred tax during the year was:		
At beginning of year	(375)	(320)
Charged /(credited) to income statement (note 5)	1	(55)
At end of year	<b>(374)</b>	<b>(375)</b>

	2016 £000	2015 £000
Deferred tax included in the Balance Sheet comprises:		
Accelerated capital allowances	<b>(374)</b>	<b>(375)</b>



## Notes to the financial statements (continued)

For the year ended 30 April 2016

### 11. Provisions for liabilities and charges (continued)

The amount of deferred tax recognised in the income statement by type of temporary difference is as follows:

	2016	2015
	£000	£000
Accelerated capital allowances	(374)	(375)

### 12. Ordinary share capital

	2016 £	2015 £
<i>Allotted and fully paid</i>		
73,018 (2015: 73,018) ordinary shares of £1 each	73,018	73,018
730,180 (2015: 730,180) "A" shares of £1 each	730,180	730,180
	<b>803,198</b>	<b>803,198</b>

The "A" shares carry full voting rights, although various restrictions exist on their right to dividend payments and capital distributions as detailed in the Company's Articles of Association.

### 13. Ultimate holding company

The Company's immediate holding company is Stagecoach Transport Holdings Limited (registered number SC183051), and its ultimate holding company and controlling party is Stagecoach Group plc (registered number SC100764), both registered in Scotland. Stagecoach Group plc heads the only group in which the results of the Company are consolidated. The financial statements of Stagecoach Group plc are available from 10 Dunkeld Road, Perth, PH1 5TW.