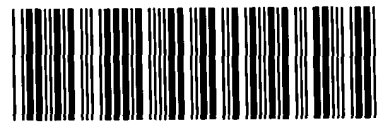


COMPANIES HOUSE

FAIRLINE COACHES LIMITED
DIRECTOR'S REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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COMPANIES HOUSE

FAIRLINE COACHES LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2017**

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FAIRLINE COACHES LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2017

DIRECTOR: C R Craig

SECRETARY: C R Craig

REGISTERED OFFICE: Benmhor
Campbeltown
Argyll
PA28 6DN

REGISTERED NUMBER: SC095682 (Scotland)

INDEPENDENT AUDITORS: Milne Craig
Chartered Accountants
Statutory Auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

FAIRLINE COACHES LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The director presents his report with the financial statements of the company for the year ended 31 December 2017.

PRINCIPAL ACTIVITY

The company is principally engaged in the operation of coaches in Glasgow and West of Scotland areas.

DIRECTOR

C R Craig held office during the whole of the period from 1 January 2017 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The director of the company who held office at the date of approval of this annual report confirms that:

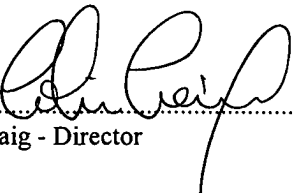
- so far as the director is aware, there is no relevant audit information, information needed by the company's Auditors in connection with with preparing their report, of which the Company's Auditors are unaware; and
- the director has taken all the steps the they ought to have taken as director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

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

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
C R Craig - Director

Date: 12/9/18

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FAIRLINE COACHES LIMITED

Opinion

We have audited the financial statements of Fairline Coaches Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information in the Director's Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FAIRLINE COACHES LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's Report.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Director's Report.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FAIRLINE COACHES LIMITED**

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shona Malcolm BAcc CA (Senior Statutory Auditor)
for and on behalf of Milne Craig
Chartered Accountants
Statutory Auditor
Abercorn House
79 Renfrew Road
Paisley
Renfrewshire
PA3 4DA

Date: 12/9/18

FAIRLINE COACHES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	2016 £
TURNOVER		1,490,069	1,573,539
Cost of sales		1,297,197	1,293,659
GROSS PROFIT		192,872	279,880
Administrative expenses		204,386	295,090
		(11,514)	(15,210)
Other operating income		55,006	-
OPERATING PROFIT/(LOSS)	5	43,492	(15,210)
Interest payable and similar expenses		29,440	31,146
PROFIT/(LOSS) BEFORE TAXATION		14,052	(46,356)
Tax on profit/(loss)		2,331	(6,610)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		11,721	(39,746)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		11,721	(39,746)

The notes form part of these financial statements

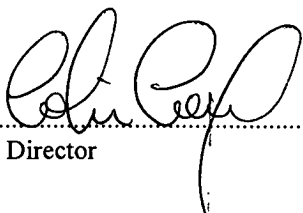
FAIRLINE COACHES LIMITED (REGISTERED NUMBER: SC095682)

**BALANCE SHEET
31 DECEMBER 2017**

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	6	1,454,508	1,569,311
CURRENT ASSETS			
Stocks		25,350	23,274
Debtors	7	135,580	97,386
Cash at bank and in hand		31,254	38,553
		192,184	159,213
CREDITORS			
Amounts falling due within one year	8	510,200	519,059
NET CURRENT LIABILITIES		(318,016)	(359,846)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,136,492	1,209,465
CREDITORS			
Amounts falling due after more than one year	9	(593,561)	(653,077)
PROVISIONS FOR LIABILITIES	11	(37,830)	(63,008)
NET ASSETS		505,101	493,380
CAPITAL AND RESERVES			
Called up share capital		10,000	10,000
Capital redemption reserve		10,000	10,000
Retained earnings		485,101	473,380
SHAREHOLDERS' FUNDS		505,101	493,380

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 12/9/18 and were signed by:


C R Craig - Director

The notes form part of these financial statements

FAIRLINE COACHES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. STATUTORY INFORMATION

Fairline Coaches Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Significant judgements and estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax and is all derived from within the United Kingdom.

The company's main income comes from coach hire, passenger fares and local authority and regional transport partnership contracts for the provision of passenger services. All revenue is recognised as and when it is due in respect of the services provided or performed.

Tangible fixed assets

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

Freehold property	- 2% on cost
Plant and machinery	- 15% to 33% of net book value or cost
Motor vehicles	- 15% to 25% of net book value or cost

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

3. ACCOUNTING POLICIES - continued

Current and deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Sterling, which is the company's functional currency and presentation currency and is denoted by the symbol "£".

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Employee benefits

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

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

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

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with charges recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 21 (2016 - 26).

FAIRLINE COACHES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. OPERATING PROFIT/(LOSS)

The operating profit (2016 - operating loss) is stated after charging/(crediting):

	2017 £	2016 £
Depreciation - owned assets	149,579	133,519
Depreciation - assets on hire purchase contracts	208,238	167,650
Profit on disposal of fixed assets	(15,712)	(27,638)
Auditors' remuneration	2,250	2,250
	<u>244,155</u>	<u>275,781</u>

6. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 January 2017	323,513	218,299	2,289,793	2,831,605
Additions	-	9,002	238,307	247,309
Disposals	-	-	(155,430)	(155,430)
At 31 December 2017	<u>323,513</u>	<u>227,301</u>	<u>2,372,670</u>	<u>2,923,484</u>
DEPRECIATION				
At 1 January 2017	26,523	72,359	1,163,412	1,262,294
Charge for year	12,941	41,813	303,063	357,817
Eliminated on disposal	-	-	(151,135)	(151,135)
At 31 December 2017	<u>39,464</u>	<u>114,172</u>	<u>1,315,340</u>	<u>1,468,976</u>
NET BOOK VALUE				
At 31 December 2017	<u>284,049</u>	<u>113,129</u>	<u>1,057,330</u>	<u>1,454,508</u>
At 31 December 2016	<u>296,990</u>	<u>145,940</u>	<u>1,126,381</u>	<u>1,569,311</u>

The net book value includes £932,430 (2016 - £902,361) in respect of assets held under finance leases and hire purchase contracts.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	115,585	76,359
Other debtors	19,995	21,027
	<u>135,580</u>	<u>97,386</u>

FAIRLINE COACHES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017**

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loans and overdrafts	20,776	20,314
Hire purchase contracts	222,512	207,678
Trade creditors	18,010	19,000
Amounts owed to group undertakings	182,649	237,519
Taxation and social security	36,862	11,080
Other creditors	29,391	23,468
	<u>510,200</u>	<u>519,059</u>

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

	2017	2016
	£	£
Bank loans	142,343	161,034
Hire purchase contracts	451,218	492,043
	<u>593,561</u>	<u>653,077</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans	<u>52,157</u>	<u>73,407</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2017	2016
	£	£
Bank loans	163,119	181,348
Hire purchase contracts	673,730	699,721
	<u>836,849</u>	<u>881,069</u>

11. PROVISIONS FOR LIABILITIES

	2017	2016
	£	£
Deferred tax	<u>37,830</u>	<u>63,008</u>

FAIRLINE COACHES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

11. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 January 2017	63,008
Credit to Statement of Comprehensive Income during year	(25,178)
Balance at 31 December 2017	<u>37,830</u>

12. RELATED PARTY DISCLOSURES

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

13. ULTIMATE CONTROLLING PARTY

The controlling party is C R Craig.