Company Registration No. 03625708 (England and Wales)

LUCKETTS HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

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LUCKETTS HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Mr A J W Lawman Mr T F Stables (Appointed 29 February 2020)
Secretary	Ms J Myram
Company number	03625708
Registered office	National Express House Birmingham Coach Station Mill Lane, Digbeth Birmingham B5 6DD
Auditor	Deloitte LLP Four Brindleyplace Birmingham B1 2HZ

LUCKETTS HOLDINGS LIMITED

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LUCKETTS HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the 16 month period ended 31 December 2020. The reporting date has been amended from 31 August to 31 December to align with the wider National Express group.

Principal activities
The principal activity of the company was that of a holding and property investment company.

Financial risk management
The financial risk management objectives and policies of the Company are monitored as part of the wider Group. Details of the risks and exposure of the Group to financial risk including; credit risk, liquidity and market risk are provided in the National Express PLC Annual Report and Accounts 2020.

Going concern
After making enquires, the Directors have a reasonable expectation that the Company has adequate resources to continue operational existence for the foreseeable future. The Directors have also taken into consideration the parents ability to provide such support if needed, being at least twelve months from the date of signing the financial statements.

National Express Group PLC, has confirmed in a signed letter of support that it will make funding available to the Company to enable it to meet its debts as they fall due for repayment for a period of at least one year following the signature date of these Financial Statements. Accordingly, the Financial Statements have been prepared on a going concern basis. The Directors note that even in light of the Covid 19 pandemic, National Express Group PLC has around £1.9billion of overdraft and undrawn committed facilities that it can draw upon as at 31 December 2020.

Results, dividends and future developments
The results for the period are set out on page 8.

Ordinary dividends were paid amounting to £274,500. The directors do not propose to pay a final dividend.

No preference dividends were paid. The directors do not propose to pay a final dividend.

In terms of future development, there will be more focus on integrating the business within National Express Transport Solutions group and the wider National Express Group Plc.

Directors
The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr I M Luckett	(Resigned 29 February 2020)
Mr D F Luckett	(Resigned 29 February 2020)
Mr S D Luckett	(Resigned 29 February 2020)
Mr A J W Lawman	
Mr T F Stables	(Appointed 29 February 2020)
Mr P R Barlow	(Appointed 29 February 2020 and resigned 18 June 2020)

Secretaries
The secretaries who held office during the period were as follows:

Ms J Myram	(Appointed 29 February 2020)
Mr I M Luckett	(Resigned 29 February 2020)

Qualifying third party indemnity provisions

In line with market practice and the company's Articles, each Director has the benefit of a deed of indemnity from the company, which includes provisions in relation to duties as a Director of the company or an associated company, qualifying third party indemnity provisions and protection against derivative actions.

Auditor

Deloitte LLP were appointed as the company's auditor during the period ended 31 December 2020. Deloitte LLP have indicated their willingness to be re-appointed for another term. Appropriate arrangements have been put in place for them to be re-appointed as auditor in the absence of an Annual General Meeting.

Directors' statement as to disclosure of information to auditor

The Directors who held office at the date of approval of the Directors' Report confirm that:

- to the best of each Director's knowledge there is no information relevant to the preparation of their audit report to which the Company's auditor is unaware; and
- each Director has taken all steps that a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of Section 418 of the Companies Act 2006.

Approved for issue by the board of directors

Mr T F Stables
Director

Date: 30.9.21

LUCKETTS HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2020

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 101 "Reduced Disclosure Framework"). 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LUCKETTS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LUCKETTS HOLDINGS LIMITED

Opinion

In our opinion the financial statements of Luckett Holdings Limited ('the company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies and
- the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Framework Disclosure" (United Kingdom Generally Accepted Accounting Practice).

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 auditor's 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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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.

Auditor's 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 auditor's 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.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

- Revenue recognition: the procedures performed to address the significant risk included agreeing that a sample of transactions recorded at the end of financial year, and those at the start of the subsequent year, were included within the correct accounting period, as well as the testing of management's controls around revenue recognition.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LUCKETTS HOLDINGS LIMITED

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the directors' report.

Matters on which we are required to report by exception

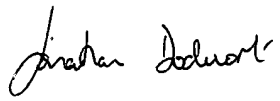
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

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



Jonathan Dodworth (Senior statutory auditor)
For and on behalf of Deloitte LLP .....
Statutory Auditor
Birmingham, United Kingdom
30 September 2021

LUCKETTS HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	Period ended 31 December 2020 £	Year ended 31 August 2019 £
Revenue	4	254,500	337,000
Operating costs		(233,791)	(153,838)
Other operating income		6,342	8,454
Profit on diposal of fixed asset		690,502	-
Operating profit	5	717,553	191,616
Interest receivable and similar income	7	58,698	50,707
Interest payable and similar expenses	8	(57,657)	(51,534)
Profit before taxation		718,594	190,789
Tax on profit	9	(117,601)	(34,041)
Profit and total comprehensive income for the financial period		600,993	156,748

All revenue has derived from continuous operations.

LUCKETTS HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Non-current assets					
Tangible fixed assets	**11**		980,349		3,425,275
Investments	**12**		6,140,806		6,140,806
			7,121,155		9,566,081
Current assets					
Deferred tax asset	**19**	2,539		2,375	
Debtors	**14**	2,582,071		29,040	
Investments	**12**	9,020		9,020	
Cash at bank and in hand		1,896,772		59,777	
		4,490,402		100,212	
Creditors: amounts falling due within one year	**15**	(10,146,334)		(7,295,884)	
Net current liabilities			(5,655,932)		(7,195,672)
Total assets less current liabilities			1,465,223		2,370,409
Creditors: amounts falling due after more than one year	**15**		(702,628)		(1,934,307)
Net assets			762,595		436,102
Capital and reserves					
Called up share capital	**20**		10,000		10,000
Profit and loss reserves			752,595		426,102
Total equity			762,595		436,102

The financial statements for Lucketts Holdings Limited were approved by the board of directors and authorised for issue on ..30.9.21..... and are signed on its behalf by:

Tom Stables

Mr T F Stables
Director

Company Registration No. 03625708

The notes set out on pages 11 to 25 form part of these financial statements.

LUCKETTS HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 September 2018		10,000	818,354	828,354
Profit and total comprehensive income for the year		-	156,748	156,748
Dividends	**10**	-	(549,000)	(549,000)
Balance at 31 August 2019		10,000	426,102	436,102
Profit and total comprehensive income for the period		-	600,993	600,993
Dividends	**10**	-	(274,500)	(274,500)
Balance at 31 December 2020		10,000	752,595	762,595

1 General information

Company information

Lucketts Holdings Limited is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The registered office is National Express House, Birmingham Coach Station, Mill Lane, Digbeth, Birmingham, B5 6DD. The company's principal activities and nature of its operations are disclosed in the directors' report.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.1 Basis of preperation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial information has been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies adopted are set out below.

The company meets the definition of a qualifying entity under FRS 101 Reduced Disclosure Framework. These financial statements for the period ended 31 December 2020 are the first financial statements of Lucketts Holdings Limited prepared in accordance with FRS 101. The company transitioned FRS102 to FRS 101 for all periods presented and the date of transition to FRS 101 was 1 September 2019, using the modified retrospective approach.

An explanation of how transition to FRS 101 has affected the reported financial position and financial performance is given in note 2.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of revenue from contracts with customers;
- disclosure of capital lease accounting;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- comparative period reconciliations for the number of shares outstanding and the carrying amounts of property, plant and equipment, intangible assets, investment property and biological assets;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- comparative narrative information;
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of National Express Group PLC. The group accounts of National Express Group PLC are available to the public and can be obtained as set out in note 22.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Lucketts Holdings Limited is a wholly owned subsidiary of National Express Group PLC and the results of Lucketts Holdings Limited are included in the consolidated financial statements of National Express Group PLC which are available from its registered office.

1 General information (Continued)

Reporting period

The financial statements cover the period from the 1 September 2019 to 31 December 2020. The company has decided to change reporting period to be inline with the group due to the change in ownership in the year. As a result, the comparatives, which cover the year ended 31 August 2019 are not entirely comparable.

1.2 Going concern

National Express Group PLC, has confirmed in a signed letter of support that it will make funding available to the Company to enable it to meet its debts as they fall due for repayment for a period of at least one year following the signature date of these Financial Statements. Accordingly, the Financial Statements have been prepared on a going concern basis. The Directors note that even in light of the Covid 19 pandemic, National Express Group PLC has around £1.5billion of overdraft and undrawn committed facilities that it can draw upon.

Thus, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of signing the Financial Statements. Accordingly, the Financial Statements has been prepared on a going concern basis.

1.3 Revenue

Revenue represents income from Coach Hire services provided during the year excluding VAT and is recognised based upon departure date.

The company recognises revenue from the following major sources:

- Management charges
- Rental income

The nature, timing of satisfaction of performance obligations and significant payment terms of the company's major sources of revenue are as follows:

Management charges

Management charges represents income received from the other group companies for shared services.

Rental income

Rental income is in relation to pre-acquisition rental income.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% straight line
Plant and equipment	10-25% reducing balance
Motor vehicles	10-50% reducing balance and 12.5% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of comprehensive income.

1 General information **(Continued)**

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of tangible and intangible assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Cash at bank and in hand

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial assets

Financial assets are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

1 General information **(Continued)**

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.9 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 General information (Continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Leases

At inception, the company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within tangible fixed assets, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other tangible fixed assets. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the company's estimate of the amount expected to be payable under a residual value guarantee; or the company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

1 General information (Continued)

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

When the company acts as a lessor, leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees, over the major part of the economic life of the asset. All other leases are classified as operating leases. If an arrangement contains lease and non-lease components, the company applies IFRS 15 to allocate the consideration in the contract. When the company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately, classifying the sub-lease with reference to the right-of-use asset arising from the head lease instead of the underlying asset.

2 Adoption of new and revised standards and changes in accounting policies

In the current period, the following new and revised Standards and Interpretations have been adopted by the company and have an effect on the current period or a prior period or may have an effect on future periods:

The company has applied IFRS 16 for the first time using the modified retrospective approach. Under this method, the comparative information in the statement of profit or loss and other comprehensive income is not restated. The cumulative impact of first time adoption is recognised as an adjustment to the opening balance of retained earnings for the current period.

The company's accounting policies for IFRS 16 are disclosed in note 1. There has been no adjustment made by the application of IFRS 16 as right of use assets have been recognised on the transition date of 1 September 2019, therefore no adjustment to the opening balance of retained earnings is required.

3 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below. There are no key sources of estimation uncertainty.

Critical accounting judgements

Certain directly attributable expenses resulting from the Covid-19 pandemic are considered to involve critical judgment. Specifically, judgement has been required to identify incremental costs associated with the pandemic that are not expected to arise in future periods and do not form part of the underlying operating activities of the Company.

4 Revenue

	2020	2019
	£	£
Revenue analysed by class of business		
Management charges	150,500	129,000
Rental income	104,000	208,000
	254,500	337,000

5 Operating profit

	2020	2019
	£	£
Operating profit for the period is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	7,500	12,400
Depreciation of property, plant and equipment - owned assets	86,106	18,241
Depreciation of property, plant and equipment - right of use assets	106,420	
Profit on disposal of tangible fixed assets	(690,502)	-

6 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2020	2019
	Number	Number
Management staff	3	4

7 Interest receivable and similar income

	2020	2019
	£	£
Other income from investments		
Dividends received	-	707
Income from fixed asset investments		
Income from shares in group undertakings	58,698	50,000
Total income	58,698	50,707

8 Interest payable and similar expenses

	2020	2019
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	38,438	51,534
Interest on other loans	293	-
	38,731	51,534
Interest on other financial liabilities:		
Interest on lease liabilities	18,926	-
Total interest expense	57,657	51,534

9 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	99,604	29,339
Adjustments in respect of prior periods	18,161	-
Total UK current tax	117,765	29,339
Deferred tax		
Origination and reversal of temporary differences	714,685	4,702
Adjustment in respect of prior periods	(714,849)	-
	(164)	4,702
Total tax charge	117,601	34,041

9 Taxation (Continued)

The charge for the period can be reconciled to the profit per the profit and loss account as follows:

	2020 £	2019 £
Profit before taxation	718,594	190,789
Expected tax charge based on a corporation tax rate of 19.00% (2019: 19.00%)	136,533	36,250
Effect of expenses not deductible in determining taxable profit	2,384	3,601
Income not taxable	-	(9,634)
Under/(over) provided in prior years	18,161	3,916
Deferred tax adjustments in respect of prior years	731,423	-
Profit on investment	(11,153)	(92)
Cost of non allowable disposal	(759,803)	-
Other adjustments	56	-
Taxation charge for the period	117,601	34,041

Factors that may affect future tax charges

The Finance Act 2020, enacted in March 2020, announcer that the corporation tax rates would remain at 19% for 2020 and 2021. The current tax rate is 19%.

On 3 March 2021 the UK Chancellor of the exchequer announced a tax rise from 19% to 25% from 1 April 2023.

10 Dividends

Amounts recognised as distributions:	2020 Total £	2019 Total £
Ordinary shares		
Interim dividend paid	274,500	549,000
	274,500	549,000

11 Tangible fixed assets

	Land and buildings	Plant and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 31 August 2019	3,551,124	19,711	22,000	3,592,835
Additions	1,603,656	-	-	1,603,656
Disposals	(3,850,256)	(19,711)	-	(3,869,967)
At 31 December 2020	1,304,524	-	22,000	1,326,524
Accumulated depreciation and impairment				
At 31 August 2019	147,900	19,660	-	167,560
Charge for the period	192,475	51	-	192,526
Eliminated on disposal	5,800	(19,711)	-	(13,911)
At 31 December 2020	346,175	-	-	346,175
Carrying amount				
At 31 December 2020	958,349	-	22,000	980,349
At 31 August 2019	3,403,224	51	22,000	3,425,275

Tangible fixed assets includes right-of-use assets, as follows:

Right-of-use assets	2020	2019
	£	£
Net values		
Property	958,349	-
Depreciation charge for the period		
Property	106,420	-

The freehold land and buildings has been classified as a right of use asset on the 1 September 2019, in line with the adoption of FRS101 as stated in note 1.1.

12 Investments

	Current		Non-current	
	2020	2019	2020	2019
	£	£	£	£
Investments in subsidiaries	-	-	6,140,806	6,140,806
Listed investments	9,020	9,020	-	-
	9,020	9,020	6,140,806	6,140,806

12 Investments (Continued)

Listed investments included above:				
Listed investments carrying amount	9,020	9,020	-	-

Fair value of financial assets carried at amortised cost

Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

13 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Principal activities	Class of shares held	% Held Direct
Coachman Limited	National Express House Birmingham Coach Station, Mill Lane Digbeth Biringham B5 6DD	Dormant	Ordinary	100.00
Coliseum Coaches Limited	As above	Coach operation	Ordinary	100.00
H. Luckett & Co Limited	As above	Coach operation	Ordinary	100.00
Luckett Services Limited	As above	Dormant	Ordinary	100.00
Lucketts Travel Limited	As above	Coach operation	Ordinary	100.00
Mortons Travel Limited	As above	Coach operation	Ordinary	100.00
Solent Coaches Limited	As above	Coach operation	Ordinary	100.00
Worthing Coaches Limited	As above	Coach operation	Ordinary	100.00

14 Debtors

	Due within one year		Due after one year	
	2020	2019	2020	2019
	£	£	£	£
VAT recoverable	9,973	-	-	-
Amounts owed by fellow group undertakings	2,495,360	-	-	-
Other debtors	5,258	-	-	-
Prepayments and accrued income	71,480	29,040	-	-
	2,582,071	29,040	-	-
Deferred tax asset	-	-	2,539	2,375
	2,582,071	29,040	2,539	2,375

All amounts owed by fellow group undertakings are short term and interest free.

15 Creditors

	Notes	Due within one year 2020 £	Due within one year 2019 £	Due after one year 2020 £	Due after one year 2019 £
Loans and overdrafts	16	-	320,737	-	1,934,307
Creditors	17	9,822,664	6,944,230	-	-
Taxation and social security		99,604	30,917	-	-
Lease liabilities	18	224,066	-	702,628	-
		10,146,334	7,295,884	702,628	1,934,307

16 Loans and overdrafts

	Due within one year 2020 £	Due within one year 2019 £	Due after one year 2020 £	Due after one year 2019 £
Borrowings held at amortised cost:				
Bank loans	-	308,140	-	1,934,307
Directors' loans	-	12,597	-	-

The bank loans are secured by charges over the freehold land and property and a floating charge over the assets of the company.

17 Creditors

	2020 £	2019 £
Trade creditors	48,672	25,953
Amounts owed to fellow group undertakings	9,726,396	6,914,839
Accruals and deferred income	47,596	3,438
	9,822,664	6,944,230

18 Lease liabilities

Maturity analysis	2020 £	2019 £
Within one year	224,066	-
In two to five years	702,628	-
Total undiscounted liabilities	926,694	-

18 Lease liabilities (Continued)

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2020	2019
	£	£
Current liabilities	224,066	-
Non-current liabilities	702,628	-
	926,694	-

	2020	2019
Amounts recognised in profit or loss include the following:	£	£
Interest on lease liabilities	18,926	-

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs	Tax losses	Total
	£	£	£
Deferred tax asset at 1 September 2018	(7,077)	-	(7,077)
Deferred tax movements in prior year			
Credit to profit or loss	4,702	-	4,702
Deferred tax asset at 1 September 2019	(2,375)	-	(2,375)
Deferred tax movements in current year			
Credit to profit or loss	640	(804)	(164)
Deferred tax asset at 31 December 2020	(1,735)	(804)	(2,539)

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

20 Share capital

Ordinary share capital Issued and fully paid	2020 Number	2019 Number	2020 £	2019 £
Ordinary shares of £1 each	4,000	4,000	4,000	4,000

Preference share capital Issued and fully paid	2020 Number	2019 Number	2020 £	2019 £
Preference shares of £1 each	6,000	6,000	-	-

Preference shares classified as equity	6,000	6,000
Preference shares classified as liabilities	(6,000)	(6,000)
	-	-
Total equity share capital	10,000	10,000

The company has one class of ordinary shares which entitle the holders to full voting rights, full entitlement in respect of dividends and on winding up. Additionally, the company has in issue 6,000 preference shares which entitle the holders to full voting rights, full entitlement in respect of dividends and on winding up. The preference shareholders are entitled to dividends in priority to ordinary shareholders.

21 *Related party transactions*

The company has taken advantage of the exemption under FRS 101 from disclosing transactions with related parties that are wholly owned subsidiaries of National Express Group PLC.

22 Ultimate parent and controlling party

As of 29 February 2020 the company is a wholly owned subsidiary undertaking and is ultimately controlled by National Express Group PLC, a company registered in England and Wales.

As of 29 February 2020, the immediate parent undertaking is National Express Limited, a company registered in England and Wales.

The smallest and largest group in which the company's results are consolidated is National Express Group PLC, registered in England and Wales. The group financial statements are available to the public and may be obtained from companies house on request. The registered office of National Express Group PLC is National Express House, Birmingham Coach Station, Mill Lane, Digbeth, Birmingham, England, B5 6DD.

23 Transition to FRS101

In the period ended the 31 December the company has changed its accounting reporting framework from FRS102 to FRS101 as issued by the Financial Reporting Council and in doing so has applied the requirements of IFRS.

There has been no material impact as a result of the transition.