Registration number - 03778521

PC COACHES OF LINCOLN LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2016

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COMPANIES HOUSE

Hobsons CA Limited
Chartered Accountants
Statutory Auditor
International House
Brunel Drive
Newark
NG24 2EG

PC COACHES OF LINCOLN LIMITED

Director	Mr PC Smith
Secretary	Mr PA Reeve FCCA
Registered Office	17 Crofton Road Allenby Industrial Estate Lincoln LN5 8ES
Bankers	Lloyds Bank Plc 202 High Street Lincoln LN5 7AP
Auditor	Hobsons CA Limited Chartered Accountants Statutory Auditor International House Brunel Drive Newark NG24 2EG
Company Number	03778521

PC COACHES OF LINCOLN LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2016

Business Review and Future Plans

It has been a hard year for the group this year and we anticipate things will only get harder. Other coach operators in the Lincoln area have been undercutting prices which prompted us to expand into another area in Lincolnshire. In the latter half of the year we acquired a site at Louth at which we are building up a new depot to run our coaches from. This new depot will allow us to build up the level of tours run by PC Executive Coaches of Lincoln Limited.

A lot of our contracts come from the local authority who are currently on a cost saving mission. They are in the process of reducing their level of staff and in turn putting extra work on the operators. This is costing us extra time and money.

We offer a wide variety of holidays to try and entice people however the banks are paying very low interest rates on saving accounts and as such many people are finding it hard to have as many holidays.

We are constantly looking at new areas where we can develop and areas we can improve on.

Analysis of Key Performance Indicators

When monitoring the business performance, we consider turnover, the number of tours carried out and the level of staff turnover and salaries.

The group has suffered a decrease in turnover this year. With the terror attacks abroad during the year, groups have made the decision to cancel their trips as a precaution. This in turn has affected the number of tours run during the year.

Retaining staff in the coaching industry is always a risk factor as the haulage industry pays a higher wage. However, we are lucky that our staff turnover is kept to a minimum and we consider this to be a low risk. The industry has a shortage of drivers and to encourage people to join the company we have invested over £20,000 in driver training.

Wages will increase over the next few years and it is expected the living wage should be £9.00 by 2020. We will increase our hourly wage by 20p each year to ensure we are on target for this government specification. This will also have an impact on our profits during the coming years.

Key Business Risks and Uncertainties

The key business risks and uncertainties affecting the business of the group stem from the exit from the EU during the year.

Most of our coaches are purchased from Scania, which are built in Spain. Since the voting to exit the EU, we have seen the pound/Euro ratio drop which has therefore increased the price of the coaches. This will influence all our future coach purchases and we can only hope that this improves over the coming years as things settle down.

Fuel prices have also been increasing since the decision to exit the EU. Being a transport company this is one of our biggest costs.

This report was approved by the Board on 3/11/2017 and signed on its behalf by



Mr PC Smith
Director

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 JULY 2016

Financial statements

The director presents his report together with the consolidated financial statements of the group for the year ended 31 July 2016.

Principal activity

The principal activity of the company was that of a coach hire and coach operator.

The principal activity of the group during the year was that of coach hire and coach tour operator.

Group results and dividends

The group's trading results for the year are set out in the group statement of comprehensive income on page 6. No dividends were paid during the current year or preceding year.

Directors

The director in office during the year was as stated below:

Mr PC Smith

Statement of director's responsibilities

The director is responsible for preparing the Strategic Report, 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). 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 the group and of the profit or loss of the group for that year.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's and group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 JULY 2016 (CONTINUED)

Strategic Report

The director has prepared a review of the business, together with a summary of the principal risks and uncertainties affecting the company, and these are detailed within the Strategic Report on page 1. The report includes an explanation of the company and group's financial risk management policies.

Statement as to disclosure of information to auditors

In so far as the director is aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and

- the director has taken all of the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the Board on 3/1/2017 and signed on its behalf by



Mr PC Smith
Director

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF PC COACHES OF LINCOLN LIMITED

We have audited the group and parent company consolidated financial statements of PC Coaches of Lincoln Limited for the year ended 31 July 2016 which comprise the group statement of comprehensive income, the group and company statements of financial position, the group statement of cash flows, the group and company statements of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Director's Responsibilities set out on page 2, the director is 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report, the Director's report and the 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.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's and group's affairs as at 31 July 2016 and of the group's 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.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Stuart Foster BA FCA (Senior Statutory Auditor)
For and on behalf of Hobsons CA Limited
Chartered Accountants and
Statutory Auditor
International House
Brunel Drive
Newark
NG24 2EG

Date: 10 January 2017

PC COACHES OF LINCOLN LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2016

	Note	2016	2015 Restated
		£	£
Group turnover - continuing operations	3	5,654,183	6,143,695
Cost of sales		(3,977,057)	(4,078,604)
Gross profit		1,677,126	2,065,091
Administrative expenses		(1,383,416)	(1,235,755)
Other operating income		19,390	20,160
Operating profit - continuing operations	4	313,100	849,496
Interest payable	5	(53,636)	(46,322)
Profit on ordinary activities before taxation		259,464	803,174
Tax on profit on ordinary activities	6	(79,845)	(121,649)
Profit for the financial year		179,619	681,525
Retained profit brought forward		3,389,386	2,707,861
Retained profit carried forward		3,569,005	3,389,386
Statement of comprehensive income			
Profit on ordinary activities after taxation		226,104	681,525
Prior year adjustment	7	66,369	-
Total recognised gains since last annual report		292,473	681,525

The notes on pages 10 to 23 form part of these financial statements.

PC COACHES OF LINCOLN LIMITED

GROUP STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2016

	Note	2016		2015 Restated	
		£	£	£	£
Fixed assets					
Intangible assets	11		46,484		158,594
Tangible assets	12		3,845,527		4,245,926
			3,892,011		4,404,520
Current assets					
Stocks	14	106,130		101,197	
Debtors	15	1,417,135		694,489	
Cash at bank and in hand		891,548		1,027,473	
		2,414,813		1,823,159	
Creditors					
Amounts falling due within one year	16	(1,332,628)		(1,105,017)	
Net current assets			1,082,185		718,142
Total assets less current liabilities			4,974,196		5,122,662
Creditors					
Amounts falling due after one year	17		(1,010,191)		(1,323,276)
Provisions for liabilities	19		(385,000)		(400,000)
Net assets			3,579,005		3,399,386
Capital and reserves					
Called up share capital	20		10,000		10,000
Profit and loss account			3,569,005		3,389,386
Shareholders' funds			3,579,005		3,399,386

The financial statements were approved by the Board of Directors on 3/1/2017 and were signed on its behalf by:

Mr PC Smith
Director

Company registration number - 03778521

The notes on pages 10 to 23 form part of these financial statements.

PC COACHES OF LINCOLN LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2016

	Note	2016		2015 Restated	
		£	£	£	£
Fixed assets					
Tangible assets	12		3,829,505		4,227,077
Investments	13		1,000		1,000
			3,830,505		4,228,077
Current assets					
Stocks	14	106,130		101,197	
Debtors	15	1,394,895		1,125,511	
Cash at bank and in hand		512,281		617,577	
		2,013,306		1,844,285	
Creditors					
Amounts falling due within one year	16	(1,003,138)		(843,705)	
Net current assets			1,010,168		1,000,580
Total assets less current liabilities			4,840,673		5,228,657
Creditors					
Amounts falling due after one year	17		(1,010,191)		(1,323,276)
Provisions for liabilities	19		(385,000)		(400,000)
Net assets			3,445,482		3,505,381
Capital and reserves					
Called up share capital	20		10,000		10,000
Profit and loss account			3,435,482		3,495,381
Shareholders' equity			3,445,482		3,505,381

The financial statements were approved by the Board of Directors on 3/1/2017 and were signed on its behalf by:

Mr PC Smith
Director

Company registration number - 03778521

The notes on pages 10 to 23 form part of these financial statements.

PC COACHES OF LINCOLN LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2016

	2016 £	2015 £
Cash flows from operating activities		
Profit for the financial year	179,619	681,525
Adjustments for:		
Interest payable	53,636	46,322
Tax on profit on ordinary activities	79,845	121,649
Amortisation and depreciation	725,697	690,928
Impairments of fixed assets	46,485	62,500
Profit on disposal of fixed assets	(10,843)	(31,356)
Changes in:		
(Increase)/decrease in stocks	(4,933)	(16,317)
(Increase)/decrease in debtors	(542,820)	(110,358)
Increase/(decrease) in creditors	40,264	(307,638)
Cash generated from operations	566,950	1,137,255
Interest payable	(53,636)	(46,322)
Tax paid or received	(65,234)	(5,078)
Net cash from operating activities	448,080	1,085,855
Cash flows from investing activities		
Purchase of tangible fixed assets	(125,575)	(281,498)
Sale of tangible fixed assets	26,745	96,550
Net cash used in investing activities	(98,830)	(184,948)
Cash flows from financing activities		
Capital element of hire purchase repayments	(485,175)	(434,043)
Net cash used in financing activities	(485,175)	(434,043)
Net increase in cash and cash equivalents	(135,925)	466,864
Cash and cash equivalents at the beginning of the year	1,027,473	560,609
Cash and cash equivalents at the end of the year	891,548	1,027,473

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland.'

2. Accounting policies

Basis of preparation

PC Coaches of Lincoln Limited is a limited company incorporated in the United Kingdom. The address of the registered office is given in the company information page of these financial statements.

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 August 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 26.

Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertaking made up to 31 July 2016 to the extent of the group's interest in that undertaking and after eliminating intra-group transactions. Accounting polices are adjusted, where appropriate, to conform to group accounting policies.

In the company's financial statements investments in subsidiary undertakings are stated at cost less provision for permanent diminution in value.

A separate income statement for the parent company has not been presented in accordance with Section 408 of the Companies Act 2006. The result of the parent company dealt with in these financial statements is disclosed in note 8. The individual accounts of PC Coaches of Lincoln Limited have also taken the exemption available from the requirement to present a statement of cash flows.

Turnover

Turnover represents the fair value of all services provided during the year excluding value added tax. Sales are recognised by reference to the period of hire of the vehicle. Hire charges received in advance are carried forward and shown as deferred sales income within current liabilities.

Goodwill and amortisation

Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over four years from the date of acquisition.

2. Accounting policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write down the cost of all fixed assets to their estimated residual values by equal annual instalments over their expected useful lives as follows:

Plant and machinery	15% reducing balance
Fixtures, fittings and equipment	15% reducing balance
Motor vehicles	10% - 33% straight line

Leasing and hire purchase 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.

Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the income statement so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

All other leases are operating leases and the annual rentals are charged to the income statement on a straight line basis over the lease term.

Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Cost is calculated using the first in first out method and includes the normal cost of transporting stock to its present location and condition. Net realisable value is the anticipated sales proceeds less any costs of disposal.

Taxation

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

2. Accounting policies (continued)

Employee benefits

Short term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred. The pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company and group in an independently administered fund.

3. Turnover

The turnover of the company and group for the year has been derived from its principal activity wholly undertaken in the UK.

4. Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after:

	2016 £	2015 £
Operating profit is stated after charging:		
Amortisation of goodwill	65,625	56,510
Depreciation on owned assets	388,915	373,938
Depreciation on assets held under hire purchase contracts	271,157	260,480
Impairment losses	46,485	-
Auditor's remuneration – audit services	11,500	5,000
and after crediting:		
Profit on disposal of tangible assets	10,843	31,356

Included within auditor's remuneration for audit work above is £3,500 (2015 - £nil) relating to the audit of the subsidiary undertaking.

5. Interest payable

	2016 £	2015 £
Financing costs	-	587
Hire purchase interest payable	53,636	45,735
	53,636	46,322

6. Tax on profit on ordinary activities

The tax charge/(credit) is based on the profit for the year and represents:

	2016 £	2015 £
UK Corporation tax	95,682	71,149
Adjustments in respect of previous years	(837)	(19,500)
Total current tax	94,845	51,649
Deferred tax:		
Origination and reversal of timing differences	(15,000)	70,000
Tax on results on ordinary activities	79,845	121,649

Factors affecting corporation tax charge for period

The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom of 20% (2015 – 20.46%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	179,619	803,174
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK	35,924	164,329
Effects of:		
Expenses not deductible for tax purposes	1,182	834
Depreciation in excess of capital allowances	17,204	-
Capital allowances in excess of depreciation	-	(78,839)
Tax losses utilised	16,106	(18,067)
Adjustment in respect of previous period	24,429	(16,608)
Movements in deferred tax provision	(15,000)	70,000
Tax on results on ordinary activities	79,845	121,649

7. Prior period adjustment

The prior year adjustment relates to income unrecognised in the prior year's financial statements, receivable from the electronic payment system at the year end and received in the company bank account in the current year.

8. Result of the parent company

As permitted by Section 408 of the Companies Act 2006 no income statement is presented for PC Coaches of Lincoln Limited. The profit after taxation dealt with in the financial statements of the parent undertaking is £59,899 loss (2015 – £583,099 profit).

9. Director's remuneration

	2016 £	2015 £
Aggregate remuneration including benefits in kind	24,650	18,200
	24,650	18,200

10. Employees

	2016 £	2015 £
Staff costs, including directors' emoluments were:		
Wages and salaries	1,739,385	1,566,094
Social security costs	127,916	119,398
Other pension costs	23,359	17,921
	1,890,660	1,703,413

The average number of persons employed (including directors) during the year was as follows:

	2016 Number	2015 Number
Coach drivers	80	68
Garage and body shop technicians	15	15
Sales and administration	16	16
	111	99

11. Intangible fixed assets

Group

	Goodwill £
Cost	
At 1 August 2015	262,500
Impairment losses	(46,485)
At 31 July 2016	216,015
Amortisation	
At 1 August 2015	103,906
Charge for the year	65,625
At 31 July 2016	169,531
Net book value	
At 31 July 2016	46,484
At 31 July 2015	158,594

Amortisation of intangible fixed assets is included in administrative expenses.

12. Tangible fixed assets

Group

	Plant and Machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation					
At 1 August 2015	290,691	71,179	8,006,023	29,869	8,397,762
Additions	8,500	-	259,013	8,062	275,575
Disposals	-	-	(113,233)	-	(113,233)
At 31 July 2016	299,191	71,179	8,151,803	37,931	8,560,104
Depreciation					
At 1 August 2015	159,714	49,142	3,914,499	28,481	4,151,836
Depreciation charge	19,646	3,305	635,964	1,157	660,072
Eliminated on disposals	-	-	(97,331)	-	(97,331)
At 31 July 2016	179,360	52,447	4,453,132	29,638	4,714,577
Net book value at 31 July 2016	119,831	18,732	3,698,671	8,293	3,845,527
Net book value at 31 July 2015	130,977	22,037	4,091,524	1,388	4,245,926

Company

	Plant and Machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation					
At 1 August 2015	269,239	65,815	8,006,023	29,869	8,370,946
Additions	8,500	-	259,013	8,062	275,575
Disposals	-	-	(113,233)	-	(113,233)
At 31 July 2016	277,739	65,815	8,151,803	37,931	8,533,288
Depreciation					
At 1 August 2015	153,236	47,653	3,914,499	28,481	4,143,869
Depreciation charge	17,400	2,724	635,964	1,157	657,245
Eliminated on disposals	-	-	(97,331)	-	(97,331)
At 31 July 2016	170,636	50,377	4,453,132	29,638	4,703,783
Net book value at 31 July 2016	107,103	15,438	3,698,671	8,293	3,829,505
Net book value at 31 July 2015	116,003	18,162	4,091,524	1,388	4,227,077

12. Tangible fixed assets (continued)

The net book value of tangible fixed assets for the group and the company includes an amount of £2,163,339 (2015 - £2,246,296) in respect of assets held under finance leases or hire purchase contracts. Depreciation charged on these assets during the year amounted to £271,157 (2015 - £260,480).

13. Fixed asset investments

Company	Shares in subsidiary undertakings £
At cost	
At 1 August 2015 and 31 July 2016	1,000

13.1 Subsidiary undertaking

Company	Country of registration	Shares held	Principal activity
PC Executive Coaches Of Lincoln Limited	England and Wales	Ordinary 100%	Tour operator

14. Stock and work in progress

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Finished goods	106,130	101,197	106,130	101,197
	106,130	101,197	106,130	101,197

15. Debtors

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Trade debtors	387,295	602,091	407,484	635,011
Other debtors	48,821	46,139	46,119	46,139
Director's loan account	711,805	-	711,805	-
Corporation tax repayable	179,826	-	179,826	-
Prepayments	89,388	46,259	49,661	38,129
Intercompany loan	-	-	-	406,232
	1,417,135	694,489	1,394,895	1,125,511

16. Creditors

	Group Restated		Company Restated	
	2016	2015	2016	2015
	£	£	£	£
Amounts falling due within one year:				
Obligations under finance leases and hire purchase contracts	438,560	477,609	438,560	477,609
Trade creditors	217,340	173,838	170,373	150,176
Other creditors	270,950	214,944	-	-
Directors loan account	6,823	25,662	-	25,662
Corporation tax	275,508	71,149	275,508	66,071
Other taxation and social security	34,744	54,476	34,744	38,848
Accruals and deferred income	88,703	87,339	83,953	85,339
	1,332,628	1,105,017	1,003,138	843,705

The hire purchase creditors are secured on the asset to which they relate.

17. Creditors

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Amounts falling due after one year:				
Obligations under finance leases and hire purchase contracts	919,738	1,215,863	919,738	1,215,863
Accruals and deferred income	90,453	107,413	90,453	107,413
	1,010,191	1,323,276	1,010,191	1,323,276

The hire purchase creditors are secured on the asset to which they relate.

18. Borrowings - Group

Year ended 31 July 2016

Repayments fall due	Under one year £	1-5 years £	Total £
Obligations under finance leases and hire purchase contracts	438,560	919,738	1,358,298
	438,560	919,738	1,358,298

Fixed rate debt is repayable by monthly instalments with interest rates of between 5% and 10%.

Year ended 31 July 2015

Repayments fall due	Under one year £	1-5 years £	Total £
Obligations under finance leases and hire purchase contracts	477,609	1,215,863	1,693,472
	477,609	1,215,863	1,693,472

At 31 July 2015 obligations under finance leases and hire purchase contracts totalling £56,229 were classified as falling due after more than five years.

19. Provision for liabilities

Deferred taxation

The amount provided for deferred taxation is as follows:

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Accelerated/(decelerated) capital allowances	385,000	400,000	385,000	400,000

	Group £	Company £
Provision at 1 August 2015	400,000	400,000
Deferred tax charge in profit and loss account	(15,000)	(15,000)
Provision at 31 July 2016	385,000	385,000

20. Called up share capital

	Allotted & fully paid	
	2016	2015
	£	£
Equity shares:		
10,000 Ordinary shares of £1 each	10,000	10,000
	10,000	10,000

21. Leasing commitments

The group's minimum operating lease payments are as follows:

	Land and buildings		Others	
	2016	2015	2016	2015
	£	£	£	£
Within one year	59,167	36,967	9,988	9,988
Between one and five years	114,668	70,268	9,988	19,976
Over five years	966,185	1,003,152	-	-
	1,140,020	1,110,387	19,976	29,964

The company's minimum operating lease payments are as follows:

	Land and buildings		Others	
	2016	2015	2016	2015
	£	£	£	£
Within one year	59,167	36,967	9,988	9,988
Between one and five years	114,668	70,268	9,988	19,976
Over five years	966,185	1,003,152	-	-
	1,140,020	1,110,387	19,976	29,964

22. Pension commitments

The group operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company or group.

Contributions payable for the year were:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Pension contributions	21,883	16,527	21,883	16,527

23. Transactions with the director

Advances to the director

The director had an interest free loan due from him to the group during the year.

During the year advances were made totalling £711,805 and no repayments were made by the director. The amount due from the director to the group at 31 July 2016 was £711,805 (2015 - £nil).

Transactions within the loan account relate to private expenditure paid by the company on behalf of the director and funds withdrawn by the director.

24. Related party transactions

The company has taken advantage of the exemption from disclosing transactions with other companies within the PC Coaches of Lincoln Limited group.

At 31 July 2016 the group owed P C Smith, the director, £6,823 (2015 - £25,662) by way of directors loan account.

25. Controlling party

The company was under the control of the director, Mr P C Smith, throughout the year.

26. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company and group transitioned to FRS 102 on 1 August 2014.

Reconciliation of profit or loss for the year – no transitional adjustments were required.

Reconciliation of equity – a transitional adjustment is required in respect of holiday pay accruing at the year end which had not been accounted for under UK GAAP.

Reconciliation of group equity

	At 1 August 2014		
	Previously stated £	Effect of transition £	FRS102 (restated) £
Fixed Assets	4,151,244	-	4,151,244
Current Assets	1,229,620	-	1,229,620
Creditors – due within one year	(1,223,219)	(34,924)	(1,258,143)
	4,157,645	(34,924)	4,122,721
Creditors – due after one year	(1,074,860)	-	(1,074,860)
Provisions for liabilities	(330,000)	-	(330,000)
Net assets and shareholder's equity	2,752,785	(34,924)	2,717,861

	At 31 July 2015		
	Previously stated £	Effect of transition £	FRS102 (restated) £
Fixed Assets	4,404,520	-	4,404,520
Current Assets	1,823,159	-	1,823,159
Creditors – due within one year	(1,070,093)	(34,924)	(1,105,017)
	5,157,586	(34,924)	5,122,662
Creditors – due after one year	(1,323,276)	-	(1,323,276)
Provisions for liabilities	(400,000)	-	(400,000)
Net assets and shareholder's equity	3,434,310	(34,924)	3,399,386