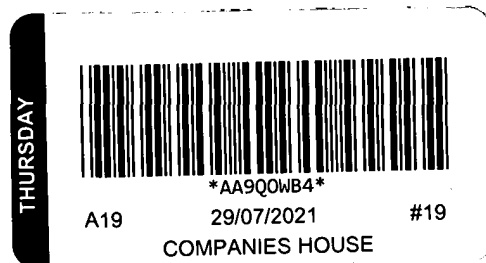


BLACKPOOL TRANSPORT SERVICES LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021



**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	7
Report of the Independent Auditors	9
Consolidated Income Statement	13
Consolidated Other Comprehensive Income	14
Consolidated Balance Sheet	15
Company Balance Sheet	16
Consolidated Statement of Changes in Equity	17
Company Statement of Changes in Equity	18
Consolidated Cash Flow Statement	19
Notes to the Consolidated Cash Flow Statement	20
Notes to the Consolidated Financial Statements	22

BLACKPOOL TRANSPORT SERVICES LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

DIRECTORS:

Mr J Carney
Mrs J Cole
Councillor P D S Galley
Mr R W Pinkett
Mrs S M Shaw
Councillor P R Burdess
Mr N A Kimberley
Councillor A Matthews
Mr C J Jackson

SECRETARIES:

Mr M A Towers
Mrs L Hurst

REGISTERED OFFICE:

Rigby Road
Blackpool
Lancashire
FY1 5DD

REGISTERED NUMBER:

02003020 (England and Wales)

AUDITORS:

Smith Craven
Chartered Accountants
Statutory Auditors
Sidings House
Sidings Court
Lakeside
Doncaster
South Yorkshire
DN4 5NU

**GROUP STRATEGIC REPORT
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

The directors present their strategic report of the company and the group for the period 29 March 2020 to 27 March 2021.

ACTIVITIES

The Group's principal activity is the provision of public passenger transport services on Lancashire's Fylde Coast which it fulfils through its bus fleet and the famous LRT system.

REVIEW OF THE BUSINESS

Group Results

Turnover for the 52-week period was £12,309,929, which was a 48% decrease from the previous 52-week period (2020: £23,812,671). This was because of greatly reduced operation and patronage due to the Covid 19 Pandemic.

Government Support in the form of Grant Income is accounted for in Other Operating Income in these financial statements, however for management purposes has been accounted for in turnover due to the nature of the support offered. £2,303,044 was received under the Coronavirus Job Retention Scheme (CJRS) as compensation towards wages paid to staff placed on furlough. The Covid Bus Service Support Grant (CBSSG) accounted for £5,790,868 and the Light Rail Recovery Restart Grant (LRRRG) for £2,239,990.

Direct Costs of £16,298,467 are lower than in the previous 52-week period (2020: £18,216,559). This was achieved despite an increase in depreciation costs of £381,028. This rise in depreciation was partly because of accelerating renewal of the town fleet, and re-aligning the depreciation model of 10 Mercedes Citaro buses (£158,700) to the current 12-year life.

Other Direct costs were greatly reduced due to the reduced scale of operation because of the pandemic.

As a result of the above, the Gross Profit after government grants for the 52-week period increased by 18%, from £5,596,112 to £6,614,198

This gives a gross profit margin for the current period of 29.0% (2020 23.5%)

Administration Expenses decreased to £6,268,939 (2020: £6,556,003) as a result of reduced activity.

Other Operating Income for the 52-week period is £58,854 (2020: £2,117,781). Other Operating Income in 2020 included £2,000,000 received in respect of the transfer of the surplus on the company defined benefit pension scheme to Blackpool Council.

The Group made an Operating profit of £135,279 (2020: £1,555,150 loss before the impact of the defined benefit scheme of £2,000,000, plus the writing back of a provision made previously, and a charge in the current year for the refurbishment of the LRT Trams totalling £713,039.)

Interest payable and similar charges have increased from £689,951 to £799,928 as a result of greater loans for new buses.

**GROUP STRATEGIC REPORT
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

REVIEW OF BUSINESS (CONTINUED)

Financial Position

Borrowings have increased from £19,545,577 to £21,044,834 during the period caused by the purchase of new buses.

Cash Balances at the end of the period increased from £1,052,541 to £1,077,479

The directors consider that the Company has adequate financial resources to continue to operate successfully into the future.

The shareholders' funds for the Group have decreased from £3,755,170 to £3,187,469. The value of shareholders' funds has reduced as a result of the comprehensive loss for the period.

The trading result for the period has shown an decline from a profit before tax of £471,629 (after the inclusion of one-off income of £2,713,039) to a loss of £567,701.

As the Covid Restrictions continue to be relaxed it is expected that trading will improve to at least 80% of the pre-pandemic level. The company intends to make full use of the opportunities presented by the Government National Bus Strategy (Buses Back Better) and to work with Local Transport Authorities, both Blackpool Borough Council and Lancashire County Council, on bus and tram initiatives to this end.

In support of this strategy it is anticipated that Government support for the industry will continue beyond the relaxation of Covid Restrictions, but the extent of support is not known at this time.

The planned fleet replacement policy will continue as will the revision and updating of services to meet the requirements of present and potential customers. The directors continue to monitor the progress of the network making changes where demand or potential demand suggests that a better overall service can be given, thereby encouraging passenger growth.

The directors will continue to monitor performance, increase revenue and curtail costs where practical.

**GROUP STRATEGIC REPORT
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

PRINCIPAL RISKS AND UNCERTAINTIES

The principal uncertainty surrounds the level and speed of recovery from the pandemic, and the level of support that will be offered.

The directors have entered into contracts with a fuel supplier in order to fix the price of fuel at an affordable level for the period 1 March 2021 to 30 September 2022.

The national Senior Citizen Concessionary Fare scheme reimbursement level is agreed at a rate that is acceptable to the Company until March 2022.

The main competitor to the bus business is Stagecoach plc who operates passenger services in certain areas of the Fylde Coast.

We have competition from an independent operator who now operates a fleet of approximately 14 vehicles in Blackpool. The Company attempts to manage this risk by providing a network of services throughout the area to satisfy customer needs and by working closely with the local authorities in order to meet the demands of passengers.

Seasonal traffic congestion and various road schemes cause congestion in the town. These cause problems for the Company in relation to reliability and punctuality of the bus network. As a result, we are continually monitoring the situation and will be implementing a major package of service changes to mitigate a number of issues. The Directors are in contact with officers of the Council to look at the effects of the disruption and a possible re-routing strategy.

The Company's projections for the financial period ending March 2022 have been prepared and approved by the Board of Directors having taken into account the above, with a best estimate of the speed of recovery.

The Directors are looking to invest in its employees, to engage with and increase its customer base and to continue investing in the bus fleet.

The Directors consider that the Company, provided it has ongoing support from its shareholder, has adequate financial resources to continue to operate successfully and has adopted the going concern basis in the preparation of the annual report and accounts.

**GROUP STRATEGIC REPORT
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

SECTION 172(1) STATEMENT

Employee Engagement

The company keeps employees abreast all matters of concern to them by publishing a weekly Staff Bulletin, which is sent to all staff by email. This includes making staff aware of the financial, economic and social factors affecting them and the company.

The company produces regular Staff Surveys which invite employees to express an opinion on how the company is performing and what improvements they would like to see to improve their work experience. These views are discussed with the Trade Union Representatives and, where appropriate, changes made to procedures and conditions to meet aspirations.

The Directors and other Senior Management have regular meetings with Trade Union Representatives to discuss developments within both the company and Public Transport Industry in general.

The Directors and other Senior Management operate an 'open door' policy where any employee can meet with them at any convenient time.

Recruitment and Equal Opportunities

In recruitment Blackpool Transport Services is committed to a policy of equal opportunity regardless of sex, sexual orientation, marital status, age, disability, colour, race, ethnic or national origin, religious or political beliefs.

We will ensure that each candidate is assessed only in accordance with their merits, qualifications and ability to perform the relevant duties required by that vacancy.

Account is taken of disabilities only in so far as they affect ability to perform their substantive role, Blackpool Transport will seek to make reasonable adjustments to retain them in any available suitable employment.

Where staff become disabled under UK disability legislation, and are unable to perform their substantive role, Blackpool Transport will seek to make reasonable adjustments to retain them in any suitable employment.

Disability discrimination: this includes direct and indirect discrimination, any unjustified less favourable treatment because of the effects of a disability, and failure to make reasonable adjustments to alleviate

- disadvantages caused by a disability.

Other Stakeholder Engagement

The Company has a Customer Experience Team which corresponds with individual customers and has also built up a heavy involvement with local schools, colleges and employers who rely on the company to provide transport to education or the workplace. They also engage with students to obtain their views on what enhancements they would see valuable to improve and encourage their use of public transport.

The Directors and other Senior Management liaise closely with Blackpool Council, Lancashire County Council, local Disability and similar organisations to improve the offering, and keep them abreast of developments in the network.

Directors are members of charity organisations for Disability, Minority Rights, and development of the local area and region.

The Directors are in regular contact with major suppliers to advise on likely developments within the business, and the effect this may have for them.

The Directors ensure that suppliers are paid according to their terms and conditions.

TRAINING AND DEVELOPMENT

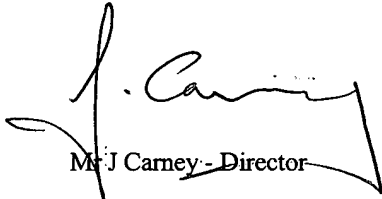
The company is committed to the training and development of all staff.

**GROUP STRATEGIC REPORT
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

ENVIRONMENTAL POLICY

The Company has introduced an environmental policy and seeks to adopt practices which cause least damage to the environment and is continually exploring methods of recycling materials where practical.

ON BEHALF OF THE BOARD:



Mr J Carney - Director

19 July 2021

**REPORT OF THE DIRECTORS
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

The directors present their report with the financial statements of the company and the group for the period 29 March 2020 to 27 March 2021.

DIVIDENDS

No dividends will be distributed for the period ended 27 March 2021.

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 29 March 2020 to the date of this report.

Mr J Carney
Mrs J Cole
Councillor P D S Galley
Mr R W Pinkett
Mrs S M Shaw
Councillor P R Burdess
Mr N A Kimberley
Councillor A Matthews
Mr C J Jackson

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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). 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 the group and of the profit or loss of the group 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

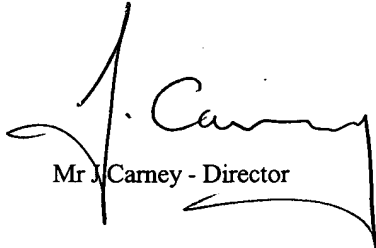
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

AUDITORS

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

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'J. Carney', is written over a rectangular box. The signature is fluid and cursive.

Mr J. Carney - Director

19 July 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BLACKPOOL TRANSPORT SERVICES LIMITED

Opinion

We have audited the financial statements of Blackpool Transport Services Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 27 March 2021 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 group's and of the parent company affairs as at 27 March 2021 and of the group's loss for the period 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 group 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

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 group's and the parent 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 directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, 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, except to the extent otherwise explicitly stated in our report, 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 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.

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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BLACKPOOL TRANSPORT SERVICES LIMITED**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page seven, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BLACKPOOL TRANSPORT SERVICES LIMITED

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.

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

Based on our understanding of the Company, we identified that the principal risks of non-compliance with laws and regulations related to corporation tax legislation and we considered the extent to which non-compliance might have a material effect on the financial statements.

As part of this assessment we considered both quantitative and qualitative factors. We also considered those laws and regulations that have a direct impact on the preparation on the financial statements, such as the Companies Act 2006 and FRS 102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements which included the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries, omitting, advancing or delaying recognition of events and transactions that have occurred during or after the reporting period, and potential management bias in the determination of accounting estimates or judgements to manipulate results.

Audit procedures performed by the engagement team include:

- Enquiring of and obtaining written representation from management in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Enquiring of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Review of board meeting minutes and meetings of those charged with governance;
- Identifying and, where relevant, testing journal entries posted by senior management or with unusual combinations;
- Assessing and evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Review of correspondence with regulators in so far as they are related to the financial statements;
- Incorporating elements of unpredictability into the nature, timing and/or extent of audit procedures performed.

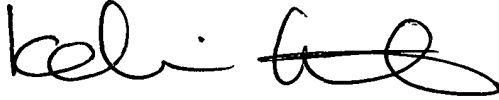
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement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

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
BLACKPOOL TRANSPORT SERVICES 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.



Mr Kelvin Fitton BA FCA (Senior Statutory Auditor)

for and on behalf of Smith Craven

Chartered Accountants

Statutory Auditors

Sidings House

Sidings Court

Lakeside

Doncaster

South Yorkshire

DN4 5NU

Date:19/7/21.....

**CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

	Notes	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
TURNOVER	3	12,309,929	23,812,671
Cost of sales		<u>16,298,467</u>	<u>18,216,559</u>
GROSS (LOSS)/PROFIT		(3,988,538)	5,596,112
Administrative expenses		<u>6,318,939</u>	<u>6,556,003</u>
		(10,307,477)	(959,891)
Other operating income	4	<u>10,392,756</u>	<u>2,117,781</u>
OPERATING PROFIT	6	85,279	1,157,890
Interest receivable and similar income		<u>803</u>	<u>3,691</u>
		86,082	1,161,581
Interest payable and similar expenses	8	<u>799,929</u>	<u>689,951</u>
(LOSS)/PROFIT BEFORE TAXATION		(713,847)	471,630
Tax on (loss)/profit	9	<u>(146,146)</u>	<u>(371,968)</u>
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD		(567,701)	843,598
(Loss)/profit attributable to: Owners of the parent		<u>(567,701)</u>	<u>843,598</u>

The notes form part of these financial statements

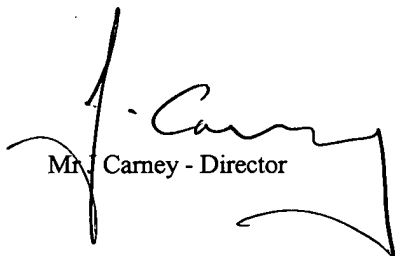
**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Notes		
(LOSS)/PROFIT FOR THE PERIOD	(567,701)	843,598
OTHER COMPREHENSIVE INCOME		
Remeasurement of defined benefit pension	-	(4,791,000)
Disposal of defined pension scheme asset	-	814,470
Income tax relating to other comprehensive income	-	
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX	-	(3,976,530)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(567,701)	(3,132,932)
Total comprehensive income attributable to: Owners of the parent	(567,701)	(3,132,932)

**CONSOLIDATED BALANCE SHEET
27 MARCH 2021**

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Intangible assets	12		-		-
Tangible assets	13		19,890,683		21,954,256
Investments	14		-		-
			<u>19,890,683</u>		<u>21,954,256</u>
CURRENT ASSETS					
Stocks	15	459,034		464,083	
Debtors	16	4,247,303		2,934,726	
Cash at bank and in hand		<u>1,077,479</u>		<u>1,052,541</u>	
		5,783,816		4,451,350	
CREDITORS					
Amounts falling due within one year	17	<u>3,177,980</u>		<u>4,942,839</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>2,605,836</u>		<u>(491,489)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>22,496,519</u>		<u>21,462,767</u>
CREDITORS					
Amounts falling due after more than one year	18		(18,727,482)		(16,839,627)
PROVISIONS FOR LIABILITIES	20		<u>(581,568)</u>		<u>(867,970)</u>
NET ASSETS			<u><u>3,187,469</u></u>		<u><u>3,755,170</u></u>
CAPITAL AND RESERVES					
Called up share capital	21		2,789,000		2,789,000
Retained earnings	22		<u>398,469</u>		<u>966,170</u>
SHAREHOLDERS' FUNDS			<u><u>3,187,469</u></u>		<u><u>3,755,170</u></u>

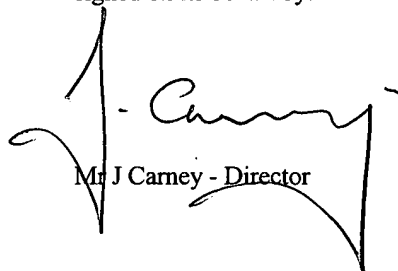
The financial statements were approved by the Board of Directors and authorised for issue on 19 July 2021 and were signed on its behalf by:


Mr. Carney - Director

COMPANY BALANCE SHEET
27 MARCH 2021

	Notes	2021	2020
		£	£
FIXED ASSETS			
Intangible assets	12	-	-
Tangible assets	13	19,890,683	21,954,256
Investments	14	285,678	285,678
		<u>20,176,361</u>	<u>22,239,934</u>
CURRENT ASSETS			
Stocks	15	459,034	464,083
Debtors	16	4,457,066	3,144,489
Cash at bank and in hand		1,077,479	1,052,541
		<u>5,993,579</u>	<u>4,661,113</u>
CREDITORS			
Amounts falling due within one year	17	3,673,421	5,438,280
NET CURRENT ASSETS/(LIABILITIES)		<u>2,320,158</u>	<u>(777,167)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>22,496,519</u>	<u>21,462,767</u>
CREDITORS			
Amounts falling due after more than one year	18	(18,727,482)	(16,839,627)
PROVISIONS FOR LIABILITIES	20	(581,568)	(867,970)
NET ASSETS		<u>3,187,469</u>	<u>3,755,170</u>
CAPITAL AND RESERVES			
Called up share capital	21	2,789,000	2,789,000
Retained earnings	22	398,469	966,170
SHAREHOLDERS' FUNDS		<u>3,187,469</u>	<u>3,755,170</u>
Company's (loss)/profit for the financial year		<u>(567,701)</u>	<u>843,598</u>

The financial statements were approved by the Board of Directors and authorised for issue on 19 July 2021 and were signed on its behalf by:


Mr J Carney - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 31 March 2019	2,789,000	4,674,602	7,463,602
Changes in equity			
Dividends	-	(575,500)	(575,500)
Total comprehensive income	-	(3,132,932)	(3,132,932)
Balance at 28 March 2020	<u>2,789,000</u>	<u>966,170</u>	<u>3,755,170</u>
Changes in equity			
Total comprehensive income	-	(567,701)	(567,701)
Balance at 27 March 2021	<u>2,789,000</u>	<u>398,469</u>	<u>3,187,469</u>

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 31 March 2019	2,789,000	4,674,602	7,463,602
Changes in equity			
Dividends	-	(575,500)	(575,500)
Total comprehensive income	-	(3,132,932)	(3,132,932)
Balance at 28 March 2020	<u>2,789,000</u>	<u>966,170</u>	<u>3,755,170</u>
Changes in equity			
Total comprehensive income	-	(567,701)	(567,701)
Balance at 27 March 2021	<u>2,789,000</u>	<u>398,469</u>	<u>3,187,469</u>

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

	Notes	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Cash flows from operating activities			
Cash generated from operations	1	(9,651,390)	2,831,343
Interest paid		(787,290)	(670,091)
Interest element of hire purchase payments paid		(12,639)	(19,860)
Government grants received		10,333,902	-
Net cash from operating activities		(117,417)	2,141,392
Cash flows from investing activities			
Purchase of tangible fixed assets		(634,432)	(6,728,511)
Sale of tangible fixed assets		129,146	508,701
Interest received		803	3,691
Net cash from investing activities		(504,483)	(6,216,119)
Cash flows from financing activities			
New shareholder loans		2,886,750	6,924,579
Repayment of shareholder loans		(1,977,660)	(1,686,049)
Capital repayments in year		(262,252)	(272,287)
Equity dividends paid		-	(575,500)
Net cash from financing activities		646,838	4,390,743
Increase in cash and cash equivalents		24,938	316,016
Cash and cash equivalents at beginning of period	2	1,052,541	736,525
Cash and cash equivalents at end of period	2	1,077,479	1,052,541

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

1. RECONCILIATION OF (LOSS)/PROFIT FOR THE FINANCIAL PERIOD TO CASH GENERATED FROM OPERATIONS

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
(Loss)/profit for the financial period	(567,701)	843,598
Depreciation charges	2,634,740	2,290,582
Profit on disposal of fixed assets	(65,885)	(140,171)
Amortisation on deferred income	(21,555)	(25,326)
Maintenance provision	-	(400,000)
Increase/(Decrease) 3rd party provision	(140,256)	(6,538)
Government grants	(10,333,902)	-
Finance costs	799,929	689,951
Finance income	(803)	(3,691)
Taxation	(146,146)	(371,968)
	(7,841,579)	2,876,437
Decrease/(increase) in stocks	5,052	(22,556)
Increase in trade and other debtors	(1,312,577)	(432,194)
(Decrease)/increase in trade and other creditors	(502,286)	409,656
Cash generated from operations	(9,651,390)	2,831,343

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 27 March 2021

	27/3/21 £	29/3/20 £
Cash and cash equivalents	1,077,479	1,052,541

Period ended 28 March 2020

	28/3/20 £	31/3/19 £
Cash and cash equivalents	1,052,541	736,525

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 29/3/20 £	Cash flow £	At 27/3/21 £
Net cash			
Cash at bank and in hand	<u>1,052,541</u>	<u>24,938</u>	<u>1,077,479</u>
	<u>1,052,541</u>	<u>24,938</u>	<u>1,077,479</u>
Debt			
Finance leases	<u>(565,485)</u>	<u>262,253</u>	<u>(303,232)</u>
	<u>(565,485)</u>	<u>262,253</u>	<u>(303,232)</u>
Total	<u><u>487,056</u></u>	<u><u>287,191</u></u>	<u><u>774,247</u></u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

1. STATUTORY INFORMATION

Blackpool Transport Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the Company, rounded to the nearest £1.

Going Concern

Due to the ongoing COVID 19 global pandemic and subsequent enforced lock downs limiting journeys, the Group incurred losses in the period to 27 March 2021 of £567,701.

The Group's immediate and ultimate parent undertaking Blackpool Borough Council have provided a letter of support to confirm that it will provide the necessary financial backing to the Group for a period of twelve months from the signing of these accounts.

On an ongoing basis, the directors prepare and update forecasts and monitor the cash position regularly. The directors are satisfied that, having reviewed the budgets and forecasts, ongoing shareholder support and available facilities, the Group can meet its liabilities as they fall due for the foreseeable future.

The directors are therefore of the opinion that it is appropriate to prepare these statements on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries Seagull Coaches Limited and Fylde Transport Limited

Related party exemption

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.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, where the revision affects only that period, or in the period of the revisions and future periods where the revision affects both current and future periods.

Key estimates have been made as follows:

Tangible fixed assets

The annual depreciation charge is sensitive to changes in estimated useful economic lives and residual values of the assets. These are reviewed regularly to ensure that appropriate charges are made for depreciation.

Stock

Current working practices ensure that adequate provision is made for obsolete and slow moving stock.

Supplier rebates

The directors have in place systems to measure supplier spend and rebates due to the Company. Ongoing supplier and rebate debtor amounts are re-assessed on a regular basis.

The following principal accounting policies have been applied consistently throughout the period:

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business, and amortised over its useful economic life as assessed by the directors.

Goodwill in relation to the acquisition of Seagull Coaches Limited and Flyde Transport Limited has been fully amortised to the reserves £209,962 (2018: £209,962) in prior accounting periods.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method or, if held under a finance lease, over the lease term, whichever is shorter.

Freehold property - 2% on cost

Plant and machinery - straight line over 3 to 15 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjust retrospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Income Statement.

Stocks

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

Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transactions, like the payments of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or, in the case of an out-right short-term loan, not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the Statement of Financial Position date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Consolidated 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.

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 period 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.

Pension costs and other post-retirement benefits

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

Defined contribution plans and other long term employee benefits.

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the period during which services are rendered by employees.

Defined benefit plans

The Group also operates a pension scheme to certain employees providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the group, with the Lancashire County Council Scheme.

Blackpool Council have undertaken to eliminate any surplus or deficit which could arise in this scheme. Accordingly the scheme has been accounted for as a defined contribution scheme, and the amount expensed in the profit and loss account in connection with this scheme is made up of the contributions payable.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

3. TURNOVER

The turnover and loss (2020 - profit) before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Ticket sales	6,329,171	17,677,925
Concessionary sales	4,878,752	5,135,278
Contract sales	1,069,873	910,104
Advertisement sales	32,133	89,364
	<u>12,309,929</u>	<u>23,812,671</u>

All turnover is derived from UK operations and is recognised when the service is delivered.

4. OTHER OPERATING INCOME

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Sundry receipts	58,854	117,781
Government grants	10,333,902	-
Exceptional items	-	2,000,000
	<u>10,392,756</u>	<u>2,117,781</u>

Government Assistance

During the year the company has received grant income under HM Government Coronavirus Job Retention Scheme totalling £2,303,044, COVID Bus Service Support Grant (CBSSG) income totalling £5,790,868 and Light Rail Recovery Restart Grant (LRRRG) income totalling £2,239,990. No grant income was received in 2020.

5. EMPLOYEES AND DIRECTORS

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Wages and salaries	13,770,377	14,779,033
Social security costs	1,099,427	1,240,497
Other pension costs	341,994	359,279
	<u>15,211,798</u>	<u>16,378,809</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

5. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the period was as follows:

	Period 29/3/20 to 27/3/21	Period 31/3/19 to 28/3/20
Traffic and engineering	549	584
Administration	104	94
	<u>653</u>	<u>678</u>

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Directors' remuneration	311,500	326,641
Directors' pension contributions to money purchase schemes	<u>12,763</u>	<u>7,696</u>

Information regarding the highest paid director is as follows:

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Emoluments etc	130,000	130,000
Pension contributions to money purchase schemes	<u>6,500</u>	<u>6,380</u>

The non-executive directors received £7,500 in emoluments from the Company during the period ended 27 March 2021 (2020: £6,059)

6. OPERATING PROFIT

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

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Depreciation - owned assets	2,634,744	2,290,582
Profit on disposal of fixed assets	(65,885)	(140,171)
Auditors' remuneration	11,460	11,195
Taxation compliance services	2,000	2,000
Operating leases	<u>33,500</u>	<u>33,500</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

7. EXCEPTIONAL ITEMS

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Exceptional items	-	2,000,000

During the period to 28 March 2020 the Group transferred its defined benefit pension scheme asset held in the local government pension scheme to Blackpool Borough Council. Blackpool Council paid the Group £2,000,000 in consideration for the transfer.

All future assets and obligations in relation to the defined benefit pension scheme will be realised by Blackpool Borough Council.

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Bank loan interest	766,394	649,589
Other interest	20,896	20,502
Hire purchase	12,639	19,860
	799,929	689,951

9. TAXATION

Analysis of the tax credit

The tax credit on the loss for the period was as follows:

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Deferred tax	(146,146)	(371,968)
Tax on (loss)/profit	(146,146)	(371,968)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021

9. TAXATION - continued

Reconciliation of total tax credit included in profit and loss

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
(Loss)/profit before tax	<u>(713,847)</u>	<u>471,630</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	<u>(135,631)</u>	<u>89,610</u>
Effects of:		
Expenses not deductible for tax purposes	9,947	9,073
Income not taxable for tax purposes	(4,812)	(4,812)
Utilisation of tax losses	-	(562,545)
Adjustments to tax charge in respect of previous periods and deferred tax rates on	<u>(15,650)</u>	<u>17,000</u>
group companies		
Change in deferred tax rates on timing differences crystallised in the period	<u>-</u>	<u>79,706</u>
Total tax credit	<u><u>(146,146)</u></u>	<u><u>(371,968)</u></u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the period ended 27 March 2021.

	Gross £	31/3/19 to 28/3/20 Tax £	Net £
Remeasurement of defined benefit pension			
Disposal of defined pension scheme asset	<u>(4,791,000)</u>	<u>814,470</u>	<u>(3,976,530)</u>
	<u><u>(4,791,000)</u></u>	<u><u>814,470</u></u>	<u><u>(3,976,530)</u></u>

10. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

11. DIVIDENDS

	Period 29/3/20 to 27/3/21 £	Period 31/3/19 to 28/3/20 £
Interim	<u>-</u>	<u>575,500</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021

12. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 29 March 2020 and 27 March 2021	<u>209,962</u>
AMORTISATION	
At 29 March 2020 and 27 March 2021	<u>209,962</u>
NET BOOK VALUE	
At 27 March 2021	<u><u>-</u></u>
At 28 March 2020	<u><u>-</u></u>

13. TANGIBLE FIXED ASSETS

Group	Freehold property £	Short leasehold £	Plant and machinery £	Totals £
COST				
At 29 March 2020	1,646,882	206,792	34,600,400	36,454,074
Additions	-	-	634,432	634,432
Disposals	-	-	(2,689,553)	(2,689,553)
	<u>1,646,882</u>	<u>206,792</u>	<u>32,545,279</u>	<u>34,398,953</u>
At 27 March 2021	<u>1,646,882</u>	<u>206,792</u>	<u>32,545,279</u>	<u>34,398,953</u>
DEPRECIATION				
At 29 March 2020	559,151	151,878	13,788,789	14,499,818
Charge for period	35,392	16,933	2,582,419	2,634,744
Eliminated on disposal	-	-	(2,626,292)	(2,626,292)
	<u>594,543</u>	<u>168,811</u>	<u>13,744,916</u>	<u>14,508,270</u>
At 27 March 2021	<u>594,543</u>	<u>168,811</u>	<u>13,744,916</u>	<u>14,508,270</u>
NET BOOK VALUE				
At 27 March 2021	<u>1,052,339</u>	<u>37,981</u>	<u>18,800,363</u>	<u>19,890,683</u>
At 28 March 2020	<u>1,087,731</u>	<u>54,914</u>	<u>20,811,611</u>	<u>21,954,256</u>

Included in the total net book value of fixed assets is £940,483 (2020: £1,237,710) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the period on these assets was £297,227 (2020: £136,437)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021

13. TANGIBLE FIXED ASSETS - continued

Company	Freehold property £	Short leasehold £	Plant and machinery £	Totals £
COST				
At 29 March 2020	1,646,882	206,792	34,600,400	36,454,074
Additions	-	-	634,432	634,432
Disposals	-	-	(2,689,553)	(2,689,553)
At 27 March 2021	1,646,882	206,792	32,545,279	34,398,953
DEPRECIATION				
At 29 March 2020	559,151	151,878	13,788,789	14,499,818
Charge for period	35,392	16,933	2,582,419	2,634,744
Eliminated on disposal	-	-	(2,626,292)	(2,626,292)
At 27 March 2021	594,543	168,811	13,744,916	14,508,270
NET BOOK VALUE				
At 27 March 2021	1,052,339	37,981	18,800,363	19,890,683
At 28 March 2020	1,087,731	54,914	20,811,611	21,954,256

Included in the total net book value of fixed assets is £940,483 (2020: £1,237,710) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the period on these assets was £297,227 (2020: £136,437)

14. FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
COST	
At 29 March 2020 and 27 March 2021	683,506
PROVISIONS	
At 29 March 2020 and 27 March 2021	397,828
NET BOOK VALUE	
At 27 March 2021	285,678
At 28 March 2020	285,678

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

14. FIXED ASSET INVESTMENTS - continued

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Seagull Coaches Limited

Registered office: Rigby Road, Blackpool, FY1 5DD

Nature of business: Dormant

	% holding	2021 £	2020 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>10,004</u>	<u>10,004</u>

Fylde Transport Limited

Registered office: Rigby Road, Blackpool, FY1 5DD

Nature of business: Dormant

	% holding	2021 £	2020 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>709,824</u>	<u>709,824</u>

The Company's investment represents the purchase of 100% of the share capital of Seagull Coaches Limited, a holding company which owns 100% of the share capital of Fylde Transport Limited, a dormant company. Both companies are registered in England and Wales. The impairment of £397,828 (2020 £397,828) reflects the reduction of the investment in Seagull coaches to its net realisable value and was recorded in the period ended 30 March 2008.

15. STOCKS

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Stocks	<u>459,034</u>	<u>464,083</u>	<u>459,034</u>	<u>464,083</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	71,224	202,692	71,224	202,692
Amounts owed by group undertakings	2	2	209,765	209,765
Other debtors	37,092	25,856	37,092	25,856
VAT	-	531,826	-	531,826
Prepayments	4,138,985	2,174,350	4,138,985	2,174,350
	<u>4,247,303</u>	<u>2,934,726</u>	<u>4,457,066</u>	<u>3,144,489</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Hire purchase contracts (see note 19)	287,049	281,925	287,049	281,925
Trade creditors	114,048	476,581	114,048	476,581
Amounts owed to group undertakings	1,815,041	3,079,715	2,310,481	3,575,156
Social security and other taxes	256,452	275,829	256,452	275,829
VAT	158,898	-	158,898	-
Other creditors	282,442	290,730	282,443	290,730
Accrued expenses	264,050	538,059	264,050	538,059
	<u>3,177,980</u>	<u>4,942,839</u>	<u>3,673,421</u>	<u>5,438,280</u>

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Hire purchase contracts (see note 19)	16,183	283,560	16,183	283,560
Amounts owed to group undertakings	18,666,493	16,492,728	18,666,493	16,492,728
Other creditors	44,806	63,339	44,806	63,339
	<u>18,727,482</u>	<u>16,839,627</u>	<u>18,727,482</u>	<u>16,839,627</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	287,049	281,925
Between one and five years	16,183	283,560
	<u>303,232</u>	<u>565,485</u>

Company

	Hire purchase contracts	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	287,049	281,925
Between one and five years	16,183	283,560
	<u>303,232</u>	<u>565,485</u>

Group

	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	33,500	33,500
Between one and five years	75,375	108,875
	<u>108,875</u>	<u>142,375</u>

Company

	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	33,500	33,500
Between one and five years	75,375	108,875
	<u>108,875</u>	<u>142,375</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

20. PROVISIONS FOR LIABILITIES

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Deferred tax				
Accelerated capital allowances	1,118,879	1,062,898	1,118,879	1,062,898
Tax losses carried forward	(954,144)	(752,017)	(954,144)	(752,017)
	<u>164,735</u>	<u>310,881</u>	<u>164,735</u>	<u>310,881</u>
Other provisions				
Third party liability provision	416,833	557,089	416,833	557,089
	<u>416,833</u>	<u>557,089</u>	<u>416,833</u>	<u>557,089</u>
Aggregate amounts	<u>581,568</u>	<u>867,970</u>	<u>581,568</u>	<u>867,970</u>
Group				
			Deferred tax	Other provisions
			£	£
Balance at 29 March 2020			310,881	557,089
Credit to Income Statement during period			(146,146)	-
Utilised during period			-	(166,628)
Balance at 27 March 2021			<u>164,735</u>	<u>390,461</u>
Company				
			Deferred tax	Other provisions
			£	£
Balance at 29 March 2020			310,881	557,089
Credit to Income Statement during period			(146,146)	-
Utilised during period			-	(166,628)
Balance at 27 March 2021			<u>164,735</u>	<u>390,461</u>

Third Party Liability

This provision relates to claims or anticipated claims for compensation as a result of accidents caused by bus and tram operations. The claims handler, Keoghs assess the provision based on insurance industry best practice. Whilst many claims are settled within a few months of an accident, certain claims that relate minor or serious injuries can take years to be settled.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
2,789,000	Ordinary	£1	<u>2,789,000</u>	<u>2,789,000</u>

The holders of ordinary shares are entitled to receive dividends from time to time and are entitled to one vote per share at meetings of the Company.

22. RESERVES

Group

	Retained earnings £
At 29 March 2020	966,170
Deficit for the period	<u>(567,701)</u>
At 27 March 2021	<u>398,469</u>

Company

	Retained earnings £
At 29 March 2020	966,170
Deficit for the period	<u>(567,701)</u>
At 27 March 2021	<u>398,469</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

23. PENSION COMMITMENTS

Blackpool Transport Services Limited Retirement Benefit Scheme

On 1 September 1996, the Company introduced a new pension scheme, the Blackpool Transport Services Retirement Benefit Scheme, for those employees not eligible to be members of the Local Government Superannuation Scheme. In doing this, the Company has closed the scheme administered by Saver and Prosper and transferred all members to the new scheme where the funds are invested with Standard Life. The scheme was administered by Jardine Lloyd Thompson Benefit Consultants until 1 September 2008 when the administration role was transferred to WFS Consulting, now Wingate Benefit Solutions.

The Blackpool Transport Services Limited Retirement Benefit Scheme is a defined contribution scheme with members opting to pay contributions at 3%, 4% and 5% of pensionable earnings with the Company matching the employees level of contributions.

As at 27 March 2021, contributions of £25,681 (2020: £27,787) for these members due in respect of the current reporting period had not been paid over to the scheme.

In October 2012 the government implemented Workplace Pension Reforms which meant that Blackpool Transport were required to automatically enrol all qualifying employees who were not in a pension scheme into a "qualifying pension scheme" from a certain date (known as the "staging date"). The Blackpool Transport Limited Retirement Benefit Scheme meets the qualifying criteria as set by the government and is, therefore, being used as the pension scheme to automatically enrol employees into. The Company's staging date was 1 November 2015. The legislation allows for a three month waiting period which the Company adopted and qualifying employees were auto enrolled on 1 February 2016.

Employees who were in the scheme prior to "auto-enrolment" continue to pay contributions of 3%, 4% or 5% of pensionable earnings, with the Company matching the chosen contribution. Following Auto-enrolment, all new entrants to the pension scheme will pay contributions under the governments default option where minimum contributions are based on "qualifying earnings". From 1 February 2016, employees who were auto enrolled into the scheme and who have not exercised their option to "opt out" and other employees who were allowed to (under government legislation) and have joined the scheme have paid a contribution of 1% up to 5 April 2018, 3% from 6 April 2018 to 5 April 2019 and 5% from 6 April 2019 onwards, of qualifying earnings. The Company have also paid a contribution of 1% up to 5 April 2018, 2% from 6 April 2018 to 5 April 2019 and 3% from 6 April 2019 onwards, of qualifying earnings for all these members.

As at 27 March 2021, contributions of £40,728 (2020: £41,850) for these members due in respect of the current reporting period had not been paid over to the scheme.

24. POST BALANCE SHEET EVENTS

Following the year end the Group have reached an agreement with a Director to terminate their directorship and entered into a consultation period for voluntary redundancies in order to reduce costs in line with the 5 year business plan.

The total cost of directors and employees leaving the business are £261,757 which will be recognised in the 2021/22 financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE PERIOD 29 MARCH 2020 TO 27 MARCH 2021**

25. ULTIMATE CONTROLLING PARTY

Blackpool Borough Council owns 100% of the ordinary share capital of Blackpool Transport Services Limited.

Blackpool Borough Council is the ultimate controlling party of Blackpool Transport Services Limited.

Blackpool Borough Council heads the largest and smallest group for which the results of Blackpool Transport Services Limited are consolidated. Copies of its consolidated financial statements are available to the public from the Chief Financial Officer at PO Box 4, Town Hall, Blackpool, FY1 1NA

The company has taken advantage of exemption under section 33.11(a) of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with the parent undertaking.