

Rider Holdings Limited

Annual Report and Financial Statements

For the 52 week period ended 27 March 2021



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Rider Holdings Limited
Report and financial statements
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Rider Holdings Limited

Strategic report

The directors have pleasure in submitting their strategic report for the 52 week period ended 27 March 2021.

Principal activity

The company's principal activity is as a property holding company. The company receives rental income from other group companies.

Business review

As shown in the company's profit and loss account, the company has generated £1.1 million operating profit in the current period (2020: £1.1 million). Profit after tax was £0.8 million (2020: £0.8 million).

The balance sheet shows the company's financial position at the period end. Net assets have increased from £18.1 million to £18.9 million, due to the profit made in the period.

The key performance indicators for the company are net assets and operating profit, which have been discussed above. The company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. FirstGroup plc ("the group") manages its operations on a divisional basis. The performance of the UK Bus Division of FirstGroup plc, which includes the company, and the key performance indicators for the group are discussed in the group's Annual Report which does not form part of this report. Details of where the group's Annual Report can be found are set out in note 15.

Future developments

The trading environment for the next 12 months is set to continue to be positive. The directors have no plans to change the strategy of the company going forwards and remain confident that the company's activities will generate a satisfactory result in the coming period.

Going concern

The company utilises working capital provided by the ultimate parent company, FirstGroup plc, which has provided the directors of the company with a letter confirming that it has the intention to make available such funds as may be required to enable the company to meet its obligations for a period of at least 12 months from signing the financial statements. The directors have made enquiries and understand that the ultimate parent company has adequate resources to be able to provide this financial support. This letter of support is conditional upon FirstGroup plc continuing to own the company.

The directors have prepared the financial statements on a going concern basis as they expect that adequate financing will be in place and that the company will continue to operate for the foreseeable future.

Principal risks and uncertainties

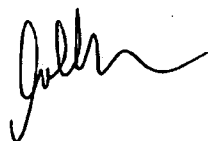
There are a number of potential risks and uncertainties that could have an impact on the company's long-term performance. The directors have established an ongoing process for identifying, evaluating and managing the significant risks and uncertainties faced by the company and continue to assess these on a regular basis in the light of internal and external events.

Specific business risks faced by the company include the following:

Legal and regulatory risk

The directors are aware of the continual change in laws and other regulations and the increasing costs of compliance. The directors conduct regular reviews of safety procedures, equipment specifications, employment requirements, environmental procedures, insurance coverage and other areas to ensure they are appropriate and operating effectively.

Approved by the board of directors and signed on its behalf by:



C Brown
Director
3 September 2021

Rider Holdings Limited

Directors' report

The directors have pleasure in submitting their annual report and financial statements for the 52 week period ended 27 March 2021.

Results and dividends

The results for the financial period are given in the profit and loss account.

No ordinary dividends were paid during the period (2020: £nil). The directors do not recommend the payment of a final dividend (2020: £nil).

Directors

The directors who held office throughout the period, and up to the date of this report, are as follows:

S D Pearson

C Brown (Appointed 1 February 2021)

D B Alexander (Resigned 21 May 2021)

Directors' and officers' liability insurance

Directors' and officers' liability insurance is taken out by FirstGroup plc, the company's ultimate parent undertaking, for the benefit of the directors and officers of the company.

Strategic report

In accordance with the Companies Act 2006, section 414C(11) the directors have chosen to include details of future developments in the strategic report, rather than the directors' report.

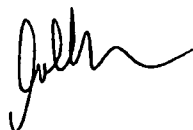
Financial risk management objectives and policies

Credit risk

The company's principal financial assets are intercompany debtors. The directors do not consider there to be any risk associated with intercompany balances, as these are managed for the group as a whole by FirstGroup plc.

Due to the nature of the company's operations the directors do not consider there to be any other significant financial risks.

Approved by the board of directors and signed on its behalf by:



C Brown
Director

3 September 2021

Rider Holdings Limited

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Rider Holdings Limited

Profit and loss account

For the 52 week period ended 27 March 2021

	Note	52 weeks ended 27 March 2021 £000	52 weeks ended 28 March 2020 £000
Turnover	3	1,068	1,068
Operating costs	6	-	(13)
Operating profit and profit before taxation		1,068	1,055
Tax on profit	7	(247)	(284)
Profit for the period		821	771

There is no other comprehensive income or loss in either the current or previous financial period, other than the profit for that period, and accordingly no statement of comprehensive income has been prepared.

Rider Holdings Limited

Balance Sheet

As at 27 March 2021

		27 March 2021		28 March 2020	
	Note	£000	£000	£000	£000
Fixed assets					
Tangible assets	8		13,224		13,449
Investments	9		-		300
			<u>13,224</u>		<u>13,749</u>
Current assets					
Debtors	10	6,914		5,495	
Creditors: amounts falling due within one period	11	<u>(805)</u>		<u>(757)</u>	
Net current assets			<u>6,109</u>		<u>4,738</u>
Total assets less current liabilities			<u>19,333</u>		<u>18,487</u>
Provisions for liabilities	12		<u>(422)</u>		<u>(397)</u>
Net assets			<u><u>18,911</u></u>		<u><u>18,090</u></u>
Capital and reserves					
Called-up share capital	14		500		500
Revaluation reserve			513		518
Profit and loss account			<u>17,898</u>		<u>17,072</u>
Shareholder's funds			<u><u>18,911</u></u>		<u><u>18,090</u></u>

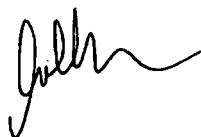
For the year ending 27 March 2021 the company was entitled to exemption from audit by parent guarantee under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements of Rider Holdings Limited (company registration number 02272577) were approved by the board of directors and authorised for issue on 3 September 2021.

They were signed on its behalf by:



C Brown
Director

Rider Holdings Limited

Statement of changes in equity 52 week period ended 27 March 2021

	Called-up share capital £000	Revaluation reserve £000	Profit and loss account £000	Total £000
At 30 March 2019	500	523	16,296	17,319
Profit and total comprehensive income for the financial period	-	-	771	771
Transfer of additional depreciation on property	-	(5)	5	-
At 28 March 2020	500	518	17,072	18,090
Profit and total comprehensive income for the financial period	-	-	821	821
Transfer of additional depreciation on property	-	(5)	5	-
At 27 March 2021	500	513	17,898	18,911

Rider Holdings Limited

Notes to the financial statements

For the 52 week period ended 27 March 2021

1. Principal accounting policies

The accounting policies have been applied consistently throughout the current and preceding period.

General information and basis of preparation

Rider Holdings Limited is a private company limited by shares, incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The company's registered office is Hunslet Park Depot, Donisthorpe Street, Leeds, West Yorkshire, LS10 1PL. The nature of the company's operations and its principal activities are set out in the strategic report.

The financial statements for the period ended 27 March 2021 include the results and financial position of the company for 52 weeks ended 27 March 2021.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Rider Holdings Limited is pounds sterling because that is the currency of the primary economic environment in which the company operates.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. The company is consolidated in the financial statements of its ultimate parent, FirstGroup plc, which may be obtained at 395 King Street, Aberdeen, AB24 5RP. Exemptions have been taken in relation to share-based payments, presentation of a cash flow statement, intra-group transactions, key management personnel and financial instrument disclosures.

Group financial statements

Under the provisions of section 401 of the Companies Act 2006, and in accordance with paragraph 1.12 of Financial Reporting Standard 102, the company is exempt from preparing consolidated financial statements by virtue of the fact that the company is a subsidiary of another company which prepares group financial statements. The financial statements therefore present information about the company as an individual undertaking and not as a group.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided to write off the cost less residual value of tangible fixed assets over their estimated useful economic lives as follows:

Freehold buildings	-	50 years straight-line
Other plant and equipment	-	3 to 15 years straight-line

No depreciation is provided on freehold land or the land element of long leasehold properties.

The property held by this company is leased to other FirstGroup plc entities.

The company took advantage of the transitional provisions of FRS 102 and retained the book amounts of certain freehold properties which were revalued prior to implementation of that standard. On the subsequent disposal or recognition of a provision for impairment of a revalued fixed asset, the revaluation surplus relating to this asset is transferred to the profit and loss account reserve. The difference in depreciation arising from the revalued amount and the cost is transferred from the other reserve to the profit and loss reserve on an annual basis.

Impairment of assets

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss previously recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Rider Holdings Limited

Notes to the financial statements (continued) For the 52 week period ended 27 March 2021

1. Principal accounting policies (continued)

Investments

Fixed asset investments are shown at cost less provision for impairment.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The taxation liability is reduced wholly or in part by the surrender of losses by group undertakings. The tax benefits arising from group relief are recognised in the financial statements of the surrendering undertaking.

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of balances due to and from related parties.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2. Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the accounting policies which are described above, management has made the following judgments and estimates that have the most significant effect on the amounts recognised in the financial statements.

Critical accounting judgements

Impairment of tangible fixed assets

The carrying values of the company's fixed assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. Management consider the future plans for the company and fellow subsidiaries in determining whether there is a use for the asset in the future. If any indication of impairment exists, the recoverable amount of the asset is estimated. An impairment is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The carrying value of the company's fixed assets is £13.2 million (2020: £13.4 million).

The directors do not consider there to be any key sources of estimations uncertainty.

3. Turnover

Turnover represents the amounts receivable for services supplied to other group companies during the period, including rental income. Turnover is recognised in the period in which the service is provided. The whole of the turnover derives from the company's principal activities within the United Kingdom.

4. Employee numbers and costs

Employee costs were £nil (2020: £nil) as the company had no employees during the current or previous period.

Rider Holdings Limited

Notes to the financial statements (continued) For the 52 week period ended 27 March 2021

5. Directors' remuneration

All the directors are employees of other FirstGroup companies and received remuneration from those companies of £465,000 (2020: £535,000) during the period. It is not considered practicable to allocate this between services provided to those companies and services provided in their capacity as directors of Rider Holdings Limited.

6. Profit before taxation

	52 weeks ended 27 March 2021 £000	52 weeks ended 28 March 2020 £000
Profit before taxation is stated after charging / (crediting)		
Depreciation	225	225
Recharge of depreciation to other group companies	(225)	(225)
Loss on disposal of fixed asset investments	300	-
Write off of intercompany balance	(300)	-
Loss on disposal of fixed assets	-	13
	<u> </u>	<u> </u>

7. Taxation

	52 weeks ended 27 March 2021 £000	52 weeks ended 28 March 2020 £000
Current taxation		
- Group relief	220	209
- Adjustment in respect of prior periods	2	-
Total current taxation	<u>222</u>	<u>209</u>
Deferred taxation		
- Origination and reversal of timing differences	27	37
- Effect of increase in tax rate on opening deferred tax balance	-	38
- Adjustment in respect of prior periods	(2)	-
Total deferred taxation	<u>25</u>	<u>75</u>
Total tax on profit	<u>247</u>	<u>284</u>

The actual current tax charge for the current and previous period differed from the standard rate for the reasons set out in the following reconciliation:

	52 weeks ended 27 March 2021 £000	52 weeks ended 28 March 2020 £000
Profit before tax	<u>1,068</u>	<u>1,055</u>
Tax on profit at standard UK corporation tax rate of 19% (2020: 19%)	203	200
- Expenses not deductible for tax purposes	44	46
- Effect of increase in tax rate on opening deferred tax balance	-	38
- Effect of decrease in tax rate on origination and reversal of timing differences	-	-
Total tax on profit	<u>247</u>	<u>284</u>

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

Rider Holdings Limited

Notes to the financial statements (continued) For the 52 week period ended 27 March 2021

8. Tangible fixed assets

	Land and buildings £000	Plant and equipment £000	Total £000
Cost			
At 29 March 2020 and 27 March 2021	17,379	185	17,564
Depreciation			
At 29 March 2020	3,930	185	4,115
Charge for period	225	-	225
At 27 March 2021	4,155	185	4,340
Net book value			
At 27 March 2021	13,224	-	13,224
At 28 March 2020	13,449	-	13,449

The net book value of land and buildings comprises:

	2021 £000	2020 £000
Freehold	13,182	13,407
Short leasehold	21	21
Long leasehold	21	21
	13,224	13,449

Depreciation is not provided on the land element of freehold property which amounts to £6.4 million (2020: £6.4 million).

Rider Holdings Limited

Notes to the financial statements (continued) For the 52 week period ended 27 March 2021

9. Fixed asset investments

	Total £000
Cost	
At 29 March 2020	476
Disposals	(300)
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At 28 March 2020	176
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Provision for impairment	
At 29 March 2020 and 27 March 2021	(176)
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Net book value	
At 27 March 2021	-
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At 28 March 2020	300
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The subsidiary undertakings at the end of the period, and the nature of their business are:

Subsidiary undertakings	Registered office	Principal activity	Holding	%
Rider Travel Limited	Hunslet Park Depot, Donisthorpe Street, Leeds, West Yorkshire. LS10 1PL	Dormant	Ordinary shares	100
Reynard Buses Limited	As above	Dormant	Ordinary shares	100
Indexbegin Limited	As above	Dormant	Ordinary shares	100
Midland Travellers Limited*	As above	Dormant	Ordinary shares	100

*indicates indirect shareholding

On 15 December 2020, the subsidiary undertaking Sovereign Quay Limited was dissolved.

10. Debtors

	2021 £000	2020 £000
Amounts due within one period		
Amounts owed by fellow group undertakings	6,909	5,495
Prepayments	5	-
	<hr/>	<hr/>
	6,914	5,495
	<hr/>	<hr/>

Amounts owed by fellow group undertakings are interest free and repayable on demand.

11. Creditors

	2021 £000	2020 £000
Amounts falling due within one period		
Amounts owed to fellow subsidiary undertakings	805	757
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	805	757
	<hr/>	<hr/>

Amounts owed to fellow group undertakings are interest free and repayable on demand.

Rider Holdings Limited

Notes to the financial statements (continued) For the 52 week period ended 27 March 2021

12. Provisions for liabilities

	Deferred tax £000
At 29 March 2020	397
Charge to profit and loss account	25
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At 27 March 2021	422
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13. Deferred taxation

Provision for deferred taxation consists of the following amounts:

	2021 £000	2020 £000
Capital allowances in excess of depreciation	422	397
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During the year beginning 1 April 2021, the net reversal of deferred tax liabilities is expected to increase the charge to corporation tax for the year by £14,000, mainly due to depreciation and capital allowances.

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

However, it is likely that the overall effect of the change, had it been substantively enacted by the balance sheet date, would be to increase the deferred tax liability by £133,000.

14. Called-up share capital

	2021 £000	2020 £000
Allotted, called-up and fully paid		
10,000,000 ordinary shares of 5p each	500	500
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The company has one class of ordinary shares which carry full voting, dividend and capital distribution rights.

The company's other reserves are as follows:

The other reserve represents the surplus created when assets were revalued.

The profit and loss reserve represents cumulative profits and losses net of dividends paid and other adjustments.

15. Ultimate parent company

The company's immediate parent and controlling party is FirstGroup Holdings Limited.

The directors regard FirstGroup plc, a company incorporated in the United Kingdom and registered in Scotland, as the ultimate parent and controlling company, which is the smallest and largest group that includes the company's results and for which group financial statements are prepared.

Copies of the financial statements of FirstGroup plc can be obtained on request from 395 King Street, Aberdeen, AB24 5RP, which is the registered office of FirstGroup plc.