

SCOTO Limited

Annual report and financial statements for the year ended 28 April 2018

Registered office:

c/o Stagecoach Services Ltd
One Stockport Exchange
20 Railway Road
Stockport
Cheshire
SK1 3SW

Registered number:

3795345



Strategic report
For the year ended 28 April 2018

Registered number: 3795345

The directors are pleased to present their Strategic report for the year ended 28 April 2018.

Review of business

The principal activity of the Company is in holding investments and loans to group subsidiary companies. The Company also holds a number of properties on finance lease which it sub-leases to various group undertakings in return for rental income.

The Company continues to look for investment and rental opportunities in the coming year.

Principal risks and uncertainties

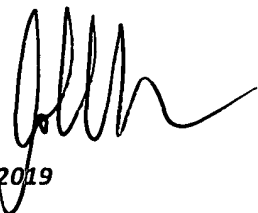
The Company's activities expose it to a variety of financial risks including the effects of changes in interest rates and foreign exchange rates. The directors of Stagecoach Group plc, the Company's ultimate parent, consider these financial risks in the context of the Group as a whole. For this reason, the Company's directors believe that a discussion of the Group's financial risks would not be appropriate for an understanding of the performance or position of the Company's business. The principal risks and uncertainties of Stagecoach Group plc, which include the impact of those of the Company, are discussed in the Group's annual report (section 1.4.5 of the Strategic report), which does not form part of this report.

Key performance indicators (KPIs)

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. Discussion on the KPIs affecting the Group as a whole can be found in the Group's annual report (section 1.4.6 of the Strategic report), which does not form part of this report.

On behalf of the Board

Colin Brown
Director
25 January 2019



Directors' report

For the year ended 28 April 2018

Registered number: 3795345

The directors are pleased to present their annual report on the affairs of the Company, together with the audited financial statements and independent auditors' report for the year ended 28 April 2018.

Results and dividends

The Company reported a profit before taxation of £129.9m (2017: £81.1m).

The directors declared and paid interim ordinary dividends of £134,000,000 (2017: £80,000,000). The directors do not propose a final ordinary dividend (2017: £Nil).

Directors

The directors of the Company who served during the year and up to the date of approval of the financial statements are listed below.

John Hamilton
Colin Brown

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101). 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;
- 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.

Indemnification of directors and officers

The Company's ultimate parent maintains Directors' and Officers' Liability Insurance in respect of legal action that might be brought against the directors and officers of the company. The ultimate parent has indemnified each of its directors and other officers of the Company against certain liabilities that may be incurred as a result of their positions with the Group.

Directors report (continued)
For the year ended 28 April 2018

Registered number: 3795345

Land and buildings

In the opinion of the Directors, there is no material difference between the open market value of the Company's interest in land and buildings and its net book value.

Independent auditors and statement of disclosure of information to auditors

In the case of each of the persons who are directors of the Company at the date when this report was approved:

- So far as each of the directors are aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditors are unaware; and
- Each of the directors has taken steps that he ought to have taken as a director to make himself aware of any relevant audit information (as defined) and to establish that the Company's auditors are aware of that information.

The auditors, Ernst & Young LLP, have indicated their willingness to continue in office and the directors have resolved that they be appointed as auditors for next period.

By order of the Board



Michael Vaux
Company Secretary
25 January 2019

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCOTO LIMITED

For the year ended 28 April 2018

Opinion

We have audited the financial statements of SCOTO Limited for the year ended 28 April 2018 which comprise the Income Statement, the Balance Sheet and the Statement of changes in equity and the related notes 1 to 15, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 28 April 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCOTO LIMITED (continued)

For the year ended 28 April 2018

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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 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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Mark Harvey (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Glasgow
28 January 2019

Income statement
For the year ended 28 April 2018

Registered number: 3795345

	Notes	2018 £000	2017 £000
Revenue	2	6,801	7,055
Other operating income		122,039	70,039
Operating profit		128,840	77,094
Gain on disposal of properties		1,043	3,994
Profit before interest and taxation	3	129,883	81,088
Finance costs	4	(36,493)	(68,422)
Finance income	4	36,494	68,422
Profit before taxation		129,884	81,088
Taxation	5	(1,588)	(778)
Profit for the financial year		128,296	80,310

The accompanying notes are an integral part of this income statement.

There are no recognised gains or losses in either year other than the results reported above and therefore no separate statement of other comprehensive income is presented.

The results for each year reported above are derived wholly from continuing operations.

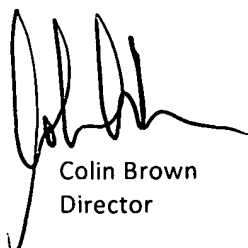
Balance sheet
As at 28 April 2018

Registered number: 3795345

	Notes	2018 £000	2017 £000
ASSETS			
Non-current assets			
Tangible assets	7	158,450	157,429
Investments	8	1,389,875	1,426,368
		<u>1,548,325</u>	<u>1,583,797</u>
Current assets			
Receivables	9	9	22
Cash and cash equivalents		20,147	28,880
		<u>20,156</u>	<u>28,902</u>
Total assets		<u>1,568,481</u>	<u>1,612,699</u>
LIABILITIES			
Current liabilities			
Payables	10	(554,339)	(593,146)
Non-current liabilities			
Provisions for liabilities and charges	11	(600)	(307)
Total liabilities		<u>(554,939)</u>	<u>(593,453)</u>
Net assets		<u>1,013,542</u>	<u>1,019,246</u>
EQUITY			
Ordinary share capital	12	803	803
Share premium account		948,517	948,517
Retained earnings		1,047	6,751
Capital contribution reserve		63,175	63,175
Total equity		<u>1,013,542</u>	<u>1,019,246</u>

The accompanying notes are an integral part of this balance sheet.

The financial statements on pages 6 to 24 were approved by the Board of Directors on **25 January 2019** and signed on its behalf by:



Colin Brown
Director

Statement of changes in equity
For the year ended 28 April 2018

Registered number: 3795345

	Ordinary share capital £000	Share premium £000	Capital contribution reserve £000	Retained earnings £000	Total equity £000
As at 1 May 2016	803	948,517	63,175	6,441	1,018,936
Profit for the financial year	-	-	-	80,310	80,310
Dividend	-	-	-	(80,000)	(80,000)
Total comprehensive income for the year	-	-	-	310	310
As at 29 April 2017	803	948,517	63,175	6,751	1,019,246
Profit for the financial year	-	-	-	128,296	128,296
Dividend	-	-	-	(134,000)	(134,000)
Total comprehensive expense for the year	-	-	-	(5,704)	(5,704)
As at 28 April 2018	803	948,517	63,175	1,047	1,013,542

Notes to the financial statements

Registered number: 3795345

For the year ended 28 April 2018

1. Accounting policies

A summary of the principal accounting policies is set out below. All principal accounting policies have been applied consistently throughout the year and the preceding year.

(a) Basis of preparation

The Company is a private limited company registered in England. The address of the Company's registered office is shown on the cover page and a description of the Company's principal activities are set out on page 1.

These financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 (the Act).

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46-52 of IFRS 2, 'Share-based payment'
- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 10(d), 10(f), 16, 38A-D, 40A-D, 111 and 134-136 of IAS 1 'Presentation of financial statements'
- IAS 7, 'Statement of cash flows'
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors'
- Paragraph 17 of IAS 24, 'Related party disclosures'

The Company has notified its shareholders in writing about, and they do not object to, the use of the disclosure exemptions used by the company in these financial statements.

The Company has sufficient financial resources with which the directors believe that the Company is well placed to manage its business risks successfully, despite the current uncertain economic outlook. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

(b) Basis of consolidation

The Company is a wholly owned subsidiary of another UK company, Stagecoach Group plc, which prepares consolidated financial statements including the Company. As permitted by Section 400 of the Companies Act 2006, the Company has not prepared consolidated financial statements.

(c) Cash flow statement

As permitted by IAS 7 the Company has not prepared a cash flow statement as it is a wholly owned subsidiary of another United Kingdom company, Stagecoach Group plc, which prepares consolidated financial statements, which include a consolidated cash flow statement.

Notes to the financial statements (continued)

Registered number: 3795345

For the year ended 28 April 2018

1. Accounting policies (continued)

(d) Investments

Equity investments outwith the scope of IAS 39 "Financial instruments: Recognition and measurement" are shown at cost less provision for impairment. An impairment loss is recognised for the amount by which the carrying amount of the net investment exceeds its recoverable amount, being the higher of net realisable value and value in use. The value in use is determined using a pre-tax discount rate which reflects our current market assessments of the risks specific to the investment.

(e) Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities (including amounts due from or to other group companies) denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any exchange differences arising from the movement in rate of exchange are included in the income statement.

Where the Company has designated foreign currency borrowings as a fair value hedge against its foreign equity investments, the part of that investment which has been hedged is treated as a monetary asset and retranslated at the spot rate at the balance sheet date.

Exchange differences arising on the translation of foreign currency equity investments and on foreign currency borrowings (including loans from other group companies), to the extent the borrowings hedge the equity investments, are dealt with within finance income and finance charges in the income statement.

(f) Taxation

Tax, current and deferred is calculated using tax rates and laws enacted or substantively enacted at the balance sheet date.

Corporation tax is provided on taxable profits at the current rate applicable. Tax charges and credits are accounted for through the same primary statement as the related pre-tax item.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is measured at the rates that are expected to apply in periods in which the temporary differences reverse based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

(g) Dividends

Dividends on ordinary shares are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders, or in the case of interim dividends, in the period in which they are paid.

Notes to the financial statements (continued)

Registered number: 3795345

For the year ended 28 April 2018

1. Accounting policies (continued)

(h) Tangible non-current assets

Tangible non-current assets include investments properties which are held at historical cost at acquisition less accumulated depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. The option to fair value property held as investment property has not been applied.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of assets on a straight line basis over their estimated useful lives, as follows:

Investment property	Shorter of 50 years or period of lease
Fixtures & Fittings	3-5 years straight line

Land is not depreciated.

(i) Related party transactions

The Company has taken advantage of the IAS 24 exemption from having to provide details of transactions with fellow wholly owned group undertakings.

(j) Revenue

Rental income is received from other operating companies within the Group and is shown net of costs of ownership of the properties. Rental income is recognised for the period in which it relates.

(k) Other operating income

Other operating income consists of investment and other income.

Investment income comprises income from investment holdings. Income is accounted for on a receivable basis. Dividends receivable are recognised on the date on which they are declared.

(l) Financial instruments

The Company has the following non-derivative financial instruments: trade and other receivables, cash and cash equivalents and trade and other payables. The measurement for each of these is as follows:

Trade and other receivables

Other receivables are carried at original invoice amount less provision made for impairment of these receivables. Where the time value of money is material, receivables are carried at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents comprise cash in hand, deposits held at call with banks and other short-term highly liquid investments.

Trade and other payables

Trade payables are not interest bearing and are stated at their nominal value.

Notes to the financial statements (continued)

For the year ended 28 April 2018

Registered number: 3795345

2. Revenue

	2018 £000	2017 £000
Depreciation – owned assets	(733)	(448)
Depreciation – leased assets	(1,069)	(1,037)
Professional fees	(17)	(36)
Rental income	8,717	8,723
Rent paid	(97)	(147)
	<u>6,801</u>	<u>7,055</u>

3. Profit before interest and taxation

The remuneration of the auditors is not settled directly by the Company. Audit fees of £4,475 (2017: £3,083) were paid by the ultimate holding company, Stagecoach Group plc, on behalf of the Company in respect of audit work performed in the UK.

The remuneration of the directors is borne by the ultimate holding company, Stagecoach Group plc and/or other group companies. No significant part of the directors' remuneration is directly attributable to the Company (2017: £Nil).

The Company has no employees (2017: Nil). All of the directors are employed by the ultimate holding company or other group companies.

4. Finance costs and income

	2018 £000	2017 £000
Finance income		
Translation gain on foreign currency net investment	-	68,422
Translation gain on foreign currency borrowings used to hedge net investment	36,493	-
Other interest	1	-
	<u>36,494</u>	<u>68,422</u>

Finance costs

Translation loss on foreign currency borrowings used to hedge net investment	-	(68,422)
Translation loss on foreign currency net investment	(36,493)	-
	<u>(36,493)</u>	<u>(68,422)</u>
Net finance income	<u>1</u>	<u>-</u>

Notes to the financial statements (continued)

For the year ended 28 April 2018

Registered number: 3795345

5. Taxation

(a) Tax recognised in the income statement

	2018 £000	2017 £000
<i>Current tax:</i>		
UK corporation tax on profits of the year	1,442	1,608
Adjustments in respect of prior year	(147)	(763)
Total current tax	1,295	845
<i>Deferred tax:</i>		
Origination and reversal of temporary differences	147	43
Adjustments in respect of prior years	146	(110)
Total deferred tax (note 11)	293	(67)
Total tax on profit	1,588	778

(b) Factors affecting the tax charge for the year

	2018 £000	2017 £000
Profit on ordinary activities before taxation	129,884	81,088
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2016: 19.92%)	24,678	16,151
<i>Effect of:</i>		
Non tax deductible expenditure and other permanent differences	118	(525)
Treatment of intercompany transactions	(10)	(8)
UK dividends	(23,180)	(13,942)
Impact of reduction in UK tax rate on current year deferred tax	(17)	(10)
Impact of reduction in UK tax rate on prior year deferred tax	-	(15)
Adjustment in respect of prior year	(1)	(873)
Current tax charge for the year	1,588	778

(c) Factors that may affect future tax charges

The reduction in the UK corporate income tax rate to 17% which is expected to take effect from 1 April 2020 had been enacted by the balance sheet date. The deferred tax balance as at 30 April 2018 has therefore been calculated with reference to the enacted expected UK corporation tax rate of 17%.

Notes to the financial statements (continued)

For the year ended 28 April 2018

Registered number: 3795345

6. Dividends

Dividends payable were as follows:

	2018 £000	2017 £000
<i>Dividends payable on equity shares:</i>		
Interim dividend paid of £1,835.16 per ordinary share (2017: £1,095.62) in the year	134,000	80,000

7. Tangible non-current assets

The movement on tangible non-current assets during the year was as follows:

	Investment properties £000	Fixtures & Fittings £000	Total £000
Cost or valuation			
At beginning of year	170,747	795	171,542
Additions	6,159	15	6,174
Transferred out	(413)	-	(413)
Disposals	(5,442)	-	(5,442)
At end of year	171,051	810	171,861
Accumulated depreciation			
At beginning of year	(13,968)	(145)	(14,113)
Charge for year	(1,704)	(98)	(1,802)
Transferred out	28	-	28
Disposals	2,476	-	2,476
At end of year	(13,168)	(243)	(13,411)
Net book value			
At beginning of year	156,779	650	157,429
At end of year	157,883	567	158,450

Included in investment properties above are assets held on long-term leases with a net book value of £106.8m (2017: £108.8m). Depreciation of £1.1m (2017: £1.0m) has been charged in the year in respect of these assets. Land amounting to £98.4m (2017: £94.5m) has not been depreciated.

8. Investments

	2018 £000	2017 £000
Cost and net book value		
At beginning of year	1,426,368	1,357,946
Fair value hedge - translation adjustment	(36,493)	68,422
At end of year	1,389,875	1,426,368

Notes to the financial statements (continued)

Registered number: 3795345

For the year ended 28 April 2018

8. Investments (continued)

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The Company owns the following subsidiary undertakings (ordinary shares 100% owned and 100% voting rights unless otherwise stated):

	<u>Country of registration</u>	<u>Principal activity</u>
3329003 Canada Inc	Canada	Bus service operating company
3376249 Canada Inc	Canada	Bus service operating company
349 First Street Urban Renewal Corporation	United States	Holding company
4216849 Canada Inc	Canada	Bus service operating company
777 8th Avenue LLC (50%)	United States	Sightseeing company
A1 Service Limited	Scotland	Dormant company
AA Buses Limited	Scotland	Dormant company
Aberdare Bus Company Limited	England	Dormant company
All West Coachlines Inc	United States	Bus service operating company
American Coach Lines of Atlanta Inc	United States	Bus service operating company
American New York Tours Corporation	United States	Bus service operating company
American Tour Connection Inc	United States	Bus service operating company
Andrews (Sheffield) Limited	England	Bus service operating company
Atlanta Airport Shuttle Inc	United States	Dormant company
B&B Bus Company Inc	United States	Bus service operating company
Barclay Airport Service Inc	United States	Bus service operating company
Barclay Transportation Services Inc	United States	Bus service operating company
Basichour Limited	England	Dormant company
Bayline Limited	England	Dormant company
Bluebird Buses Limited	Scotland	Bus service operating company
Busways Travel Services (1986) Limited	England	Dormant company
Busways Travel Services Limited	England	Bus service operating company
Busways Trustee (No. 1) Limited	England	Dormant company
Busways Trustee (No. 2) Limited	England	Dormant company
Butler Motor Transit Inc	United States	Bus service operating company
CAM Leasing LLC	United States	Intercompany leasing
Cambus Limited	England	Bus service operating company
Cape Transit Corporation	United States	Dormant company
Central Cab Company Inc	United States	Bus service operating company
Central Charters & Tours Inc	United States	Bus service operating company
Central Jersey Transit Inc	United States	Bus service operating company
Century Airline Services Inc	Canada	Bus service operating company

Notes to the financial statements (continued)

For the year ended 28 April 2018

Registered number: 3795345

8. Investments (continued)

Cheltenham and Gloucester Omnibus Company Limited	England	Bus service operating company
Cheltenham District Traction Limited	England	Dormant company
Chenango Valley Bus Lines Inc	United States	Bus service operating company
Chesterfield Transport (1989) Limited	England	Dormant company
Chesterfield Transport EBT (no. 2)	England	Dormant company
Chesterfield Transport Limited	England	Dormant company
Chesterfield Transport PST Limited	England	Pension guarantor company
Cisko Bus Company	United States	Bus service operating company
City Sightseeing Limited (12.5%)	England	Sightseeing company
Cleveland Transit Limited	England	Bus service operating company
Cleveland Transit Trustee (No. 1) Limited	England	Dormant company
Clinton Avenue Bus Company	United States	Bus service operating company
Coach Leasing Inc	United States	Intercompany leasing
Coach USA Administration Inc	United States	Holding Company
Coach USA Inc	United States	Holding company
Coach USA Investment Inc	United States	Dormant company
Coach USA MBT LLC	United States	Support services company
Coach USA Tours - Las Vegas Inc	United States	Dormant company
Colonial Coach Corporation	United States	Bus service operating company
Commodore Tours Inc	United States	Bus service operating company
Community Bus Lines Inc	United States	Bus service operating company
Community Coach Inc	United States	Bus service operating company
Community Tours Inc	United States	Bus service operating company
Community Transit Lines Inc	United States	Bus service operating company
Community Transportation Inc	United States	Bus service operating company
County Wide Travel Limited	England	Bus service operating company
Cumberland Motor Services Limited	England	Dormant company
Devon General Limited	England	Dormant company
Dillon's Bus Service Inc	United States	Bus service operating company
Douglas Braund Investments Limited	Canada	Bus service operating company
Dragon Bus LLC	United States	Dormant company
E&A Bus Company	United States	Bus service operating company
East Kent Coaches Limited	England	Dormant company
East Kent Road Car Company Limited	England	Bus service operating company
East London Bus and Coach Company Limited	England	Bus service operating company
East London Bus Group Property Investments Limited	England	Property rental
East London Bus Limited	England	Bus service operating company

Notes to the financial statements (continued)

For the year ended 28 April 2018

Registered number: 3795345

8. Investments (continued)

East Midland Motor Services Limited	England	Dormant company
East Midlands Transport Information Service Limited (28%)	England	Information services company
Elizabeth Bus Company	United States	Bus service operating company
ELKO Inc	United States	Bus service operating company
Fife Scottish Omnibuses Limited	Scotland	Bus service operating company
Formia Limited	England	Dormant company
Frenchwood Holdings Limited	England	Dormant company
Friedman Transportation Inc	United States	Bus service operating company
G&G Travel Limited	England	Dormant company
Gad About Tours Inc	United States	Bus service operating company
Generic Holding Inc	United States	Dormant company
Gilsam Bus Company Inc	United States	Bus service operating company
GL Bus Lines Inc	United States	Bus service operating company
Glenvale Transport Limited	England	Bus service operating company
Glossopdale Bus Company Limited	England	Dormant company
GM Buses South (EBT) Limited	England	Dormant company
Go West Travel Limited	England	Bus service operating company
Gray Line Air Shuttle Inc	United States	Dormant company
Gray Line New York Tours Inc (50%)	United States	Holding company
Greater Manchester Buses South Limited	England	Bus service operating company
Greater Manchester Buses West Limited	England	Bus service operating company
Grimsby Cleethorpes Transport Company Limited	England	Dormant company
Halliday-HartleTravel (1988) Limited	England	Dormant company
HAML Corporation	United States	Bus service operating company
Hartlepool Transport (1993) Limited	England	Dormant company
Hartlepool Transport Limited	England	Dormant company
Hastings and District Transport Limited	England	Dormant company
High Adventure Tours Inc	United States	Dormant company
Highland Country Buses Limited	Scotland	Bus service operating company
Hudson Transit Corporation	United States	Bus service operating company
Hudson Transit Lines Inc	United States	Bus service operating company
Independent Bus Company Inc	United States	Bus service operating company
International Bus Services Inc	United States	Holding company

Notes to the financial statements (continued)

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8. Investments (continued)

J&J Bus Company	United States	Bus service operating company
J&J Transit Inc	United States	Dormant company
J&L Bus Company	United States	Bus service operating company
Jeredin Cruises LLC (50%)	United States	Sightseeing company
JMB Property LLC (50%)	United States	Property rental
JW Coaches Limited	Scotland	Dormant company
Kansas Bus Company	United States	Bus service operating company
Keeshin Charter Service Inc	United States	Dormant company
Kerrville Bus Company	United States	Bus service operating company
KHCT (ESOP) Limited	England	Dormant company
KHCT (Holdings) Limited	England	Dormant company
KILT of CT Inc (previously The Arrow Line Inc)	United States	Dormant company
KILT of MA Inc (previously Mini Coach of Boston Inc)	United States	Dormant company
KILT of RI Inc (previously Bonanza Bus Lines)	United States	Dormant company
Kingston Upon Hull City Transport Limited	England	Dormant company
Lakefront Lines Inc	United States	Bus service operating company
Leisure Time Tours	United States	Bus service operating company
Lenzner Tours Inc	United States	Bus service operating company
Lenzner Tours Limited	United States	Dormant company
Lenzner Transit Inc	United States	Dormant company
Lenzner Transportation Group Inc	United States	Bus service operating company
LER Transportation Company	United States	Dormant company
Liberty Bell Taxi Company Inc	United States	Dormant company
Limousine Rental Service Inc	United States	Bus service operating company
Lincoln City Transport Limited	England	Dormant company
Lincolnshire Road Car Company Limited	England	Bus service operating company
M&J Bus Company	United States	Bus service operating company
Massachusetts Bay Transportation Services LLC	United States	Dormant company
Meadowlands Transit Inc	United States	Dormant company
Megabus Acquisition LLC	United States	Dormant company
Megabus Northeast LLC	United States	Inter-city coach operating company
Megabus Philadelphia LLC	United States	Dormant company

Notes to the financial statements (continued)

For the year ended 28 April 2018

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8. Investments (continued)

Megabus Southeast LLC	United States	Inter-city coach operating company
Megabus Southwest LLC	United States	Inter-city coach operating company
Megabus USA LLC	United States	Inter-city coach operating company
Megabus West LLC	United States	Inter-city coach operating company
Megabus.com BVBA	Belgium	Inter-city coach operating company
Megabus.com Europe Limited	England	Inter-city coach operating company
Megabus.com GmbH	Germany	Inter-city coach operating company
Megabus.com SAS	France	Inter-city coach operating company
Megabus.com SRL	Italy	Inter-city coach operating company
Megacity Limited (35%)	Scotland	Dormant company
Midland Red (South) Limited	England	Dormant company
Midtown Bus Terminal New York Inc	United States	Bus service operating company
Minsol Bus Company Inc	United States	Bus service operating company
Mister Sparkle Inc	United States	Dormant company
Mountaineer Coach Inc	United States	Bus service operating company
MTSI Inc	United States	Dormant company
National Transport Tokens (99.9%)	England	Dormant company
New Delaware Coach Inc	United States	Dormant company
New York Splash Tours Inc LLC	United States	Dormant company
Niagara Scenic Bus Lines Inc	United States	Dormant company
Nicecon Limited	Scotland	Dormant company
North Shore Dispatch Inc	United States	Dormant company
NYCS LLC (previously City Experts LLC) (50%)	United States	Sightseeing company
Olympia Trails Bus Company Inc	United States	Bus service operating company
Orange, Newark, Elizabeth Bus Inc	United States	Bus service operating company
Orkney Coaches Limited	Scotland	Dormant company
P. Phythian and Son Limited	England	Dormant company
Pacific Coast Sightseeing Tours and Charters Inc	United States	Bus service operating company
Paramus Northeast Management Company LLC	United States	Payroll

Notes to the financial statements (continued)

For the year ended 28 April 2018

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8. Investments (continued)

Parfitts Motor Services Limited	England	Dormant company
PCSTC Inc	United States	Dormant company
Penn-Mall Transit Inc	United States	Dormant company
Pennsylvania Transportation Systems Inc	United States	Bus service operating company
Perfect Body Inc	United States	Repairs company
Phantom Cab Company Inc	United States	Dormant company
Powder River Transportation Services Inc	United States	Bus service operating company
PSV Claims Bureau	England	Claims handling company
PTI (South East) Limited (20%)	England	Support services company
R&W Inc	United States	Bus service operating company
R&W Transit Inc	United States	Bus service operating company
Red and Tan Charter Inc	United States	Dormant company
Red and Tan Enterprises Inc	United States	Bus service operating company
Red and Tan Tours Inc	United States	Bus service operating company
Red and Tan Transportation Systems Inc	United States	Bus service operating company
Red and Tan Unlimited Inc	United States	Bus service operating company
Red and White Services Limited	England	Bus service operating company
Rennies of Dunfermline Limited	Scotland	Dormant company
Rhondda Buses Limited	England	Dormant company
Rhondda Valley Buses Limited	England	Dormant company
Ribble Motor Services Limited	England	Dormant company
Road Runner Tours Inc	United States	Bus service operating company
Rockland Coaches Inc	United States	Bus service operating company
Rockland Transit Corporation	United States	Bus service operating company
Route 17 North Realty LLC	United States	Holding company
Sam Van Galder Inc	United States	Bus service operating company
Schoolbus Limited	Scotland	Dormant company
SCOTO US Subsidiary Limited LLC	United States	Dormant company
Scottish Citylink Coaches Limited (35%)	Scotland	Joint venture
SCUSI Limited	England	Holding company
SCUSI US Subsidiary Limited LLC	United States	Dormant company
Seven Bus Corporation	United States	Bus service operating company
Sharpton Limited	England	Dormant company
SHM Transit Inc	United States	Dormant company
Short Line Terminal Agency Inc	United States	Bus service operating company
Sightseeing Buses SL (24.5%)	Spain	Sightseeing company
SL Capital Corporation	United States	Bus service operating company
South East London and Kent Bus Company Limited	England	Bus service operating company

Notes to the financial statements (continued)

For the year ended 28 April 2018

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8. Investments (continued)

South Orange Avenue Bus Association Inc	United States	Bus service operating company
South Orange Avenue Bus Company	United States	Bus service operating company
Southdown Motor Services Limited	England	Dormant company
Sporran AWC Inc	United States	Dormant company
Sporran FL Incorporated	United States	Dormant company
Sporran GBL Inc	United States	Dormant company
Sporran GCBS Inc	United States	Dormant company
Sporran GCTC Inc	United States	Dormant company
Sporran GLS Inc	United States	Dormant company
Sporran RTI Inc	United States	Dormant company
Sporran TI Inc	United States	Dormant company
Stagecoach (North West) Limited	England	Bus service operating company
Stagecoach (South) Limited	England	Bus service operating company
Stagecoach Bus Holdings Limited	Scotland	Provision of management and administration services
Stagecoach Devon Limited	England	Bus service operating company
Stagecoach Express Limited	Scotland	Holding company
Stagecoach Glasgow Limited	Scotland	Dormant company
Stagecoach Rail North America LLC	United States	Dormant company
Stagecoach Rail Passenger Services LLC	United States	Dormant company
Stagecoach Rail Replacement (East) Limited	England	Bus service operating company
Stagecoach Rail Replacement (South) Limited	England	Bus service operating company
Stagecoach Rail Replacement Limited	England	Bus service operating company
Stagecoach Scotland Limited	Scotland	Dormant company
Stagecoach Services Limited	England	Support services company
Suburban Management Corporation	United States	Bus service operating company
Suburban Trails Inc	United States	Bus service operating company
Suburban Transit Corporation	United States	Bus service operating company
Superior Bus Company	United States	Bus service operating company
Swindon and District Bus Company Limited	England	Dormant company
Syracuse and Oswego Coach Lines Inc	United States	Dormant company
Tanport Limited	England	Dormant company

Notes to the financial statements (continued)

For the year ended 28 April 2018

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8. Investments (continued)

Tees Valley Limited	England	Dormant company
Thames Transit Limited	England	Bus service operating company
The Barnsley and District Traction Company Limited	England	Dormant company
The Bus Exchange Inc	United States	Bus service operating company
The Hudson Bus Transportation Company	United States	Dormant company
The Mexborough and Swinton Traction Company Limited	England	Dormant company
The Valleys Bus Company Limited	England	Dormant company
The Viscount Bus and Coach Company Limited	England	Dormant company
The Yorkshire Traction Company (Trustee) Limited	England	Dormant company
The Yorkshire Traction Company Limited	England	Bus service operating company
Trans Maintenance Inc	United States	Bus service operating company
Trans-Hudson Express Inc	United States	Bus service operating company
Transit Advertising Limited	England	Dormant company
Transportation Management Services Inc	United States	Bus service operating company
Trentway-Wagar (Properties) Inc	Canada	Bus service operating company
Trentway-Wagar Inc	Canada	Bus service operating company
Tri State Coach Lines	United States	Bus service operating company
TRT Transportation Inc	United States	Bus service operating company
Twenty-Four Corporation	United States	Bus service operating company
Twin America LLC (50%)	United States	Sightseeing company
Tyburn Limited	United States	Dormant company
Tyne and Wear Omnibus Company Limited	England	Dormant company
United Counties Omnibus Limited	England	Dormant company
Vailsburg Bus Company	United States	Dormant company
Van Nortwick Bros Inc	United States	Bus service operating company
Welcome Passenger Transport Limited	England	Dormant company
West Coast Tour Group LLC (9.38%)	United States	Sightseeing company
West Midlands Transport Information Services Limited (10%)	England	Information service company
West Sussex Buses Limited	England	Dormant company
Western Buses Limited	England	Bus service operating company
Whites World Travel Limited	England	Dormant company
Wisconsin Coach Lines Inc	United States	Bus service operating company
WJB Bus Company Inc	United States	Bus service operating company

Notes to the financial statements (continued)

For the year ended 28 April 2018

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8. Investments (continued)

Wohlgemuth Bus Company	United States	Bus service operating company
XYZ-JP Taxi Inc	United States	Dormant company
XYZ-PBT Inc	United States	Dormant company
Yellow Cab Leasing Company of San Diego	United States	Dormant company
Yellow Cab of San Diego Inc	United States	Dormant company
Yellow Cab Service Corporation	United States	Dormant company
Yorkshire Terrier Limited	England	Dormant company

9. Receivables

	2018 £000	2017 £000
Prepayments and accrued income	9	22

10. Payables

	2018 £000	2017 £000
Accruals and deferred income	3,779	2,805
Amounts owed to group undertakings	549,118	588,733
Corporation tax	1,442	1,608
	554,339	593,146

Amounts owed to group undertakings bear no interest and are repayable on demand.

11. Provisions for liabilities and charges

	2018 £000	2017 £000
The movement in deferred tax during the year was:		
At beginning of year	(307)	(374)
Charged to income statement (note 5)	(293)	67
At end of year	(600)	(307)
	2018 £000	2017 £000
Deferred tax included in the Balance Sheet comprises:		
Accelerated capital allowances	(600)	(307)

Notes to the financial statements (continued)

Registered number: 3795345

For the year ended 28 April 2018

11. Provisions for liabilities and charges (continued)

The amount of deferred tax recognised in the income statement by type of temporary difference is as follows:

	2018 £000	2017 £000
Accelerated capital allowances	293	67

12. Ordinary share capital

	2018 £	2017 £
<i>Allotted and fully paid</i>		
73,018 (2017: 73,018) ordinary shares of £1 each	73,018	73,018
730,180 (2017: 730,180) "A" shares of £1 each	730,180	730,180
	803,198	803,198

The "A" shares carry full voting rights, although various restrictions exist on their right to dividend payments and capital distributions as detailed in the Company's Articles of Association.

13. Ultimate holding company

The Company's immediate holding company is Stagecoach Transport Holdings Limited (registered number SC183051), and its ultimate holding company and controlling party is Stagecoach Group plc (registered number SC100764), both registered in Scotland. Stagecoach Group plc heads the only group in which the results of the Company are consolidated. The financial statements of Stagecoach Group plc are available from 10 Dunkeld Road, Perth, PH1 5TW.

14. Related parties

The company has taken advantage of the exemptions granted under IAS 24 by not disclosing details of sales and purchases with other members of the group headed by Stagecoach Group plc. Details of amounts owed to and from group undertakings are disclosed in aggregate in notes 9 and 10.

15. Post balance sheet events

On 19 December 2018 Stagecoach Group plc (registered number SC100764), the ultimate parent of SCUSI Limited (registered number 03787587), a direct subsidiary of SCOTO Limited, announced the sale of its North America division for an estimated enterprise valuation of US\$271.4m. The Stagecoach Board believes that the Disposal represents an opportunity to realise an attractive valuation for the business whilst refocusing Stagecoach's portfolio on the UK.

The consideration for the Disposal has been agreed at US\$207.0m, subject to a "Locked Box" arrangement. Based on the net debt of the North America Division as at 27 October 2018 of US\$64.4m (after adjusting for US\$20.0m of dividends paid in November 2018 and reflected in the agreed price), that represents an enterprise value for the business of US\$271.4m.

The consideration includes a Deferred Payment Instrument of US\$65.0m, with the balance of the consideration being payable in cash on completion of the Disposal. The amounts that SCUSI Limited receives under the Deferred Payment Instrument might be affected by the future performance or subsequent sale of the North America business.