

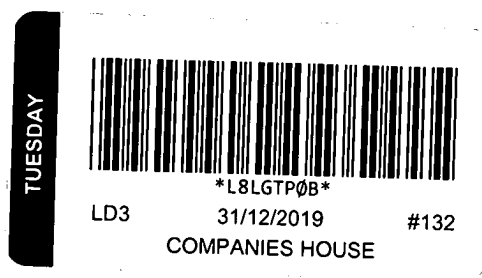
Newbury & District Limited

Report and Financial Statements

Year Ended

31 March 2019

Company Number 07491219



Newbury & District Limited

Company Information

Directors	C Anscombe R Williams L Jenkins
Company secretary	A Pettitt
Registered number	07491219
Registered office	Great Knollys Street Reading Berkshire RG1 7HH
Independent auditors	BDO LLP Thames Tower Station Road Reading Berkshire RG1 1LX
Bankers	Lloyds Bank plc National Westminster plc

Newbury & District Limited

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Newbury & District Limited

Directors' Report For the Year Ended 31 March 2019

The directors present their report and the audited financial statements of Newbury & District Limited ("the company") for the year ended 31 March 2019.

Principal activities

The principal activity of the company is that of the provision of bus services.

On 13 September 2018 the company became a wholly owned subsidiary of Reading Transport Limited.

Results and dividends

The profit for the year, after taxation, amounted to £297,800 (2018 - £304,919).

The directors do not recommend the payment of a dividend (2018 - £Nil).

Directors

The directors who served during the year and up to the date of signing of these financial statements were as follows:

S Weaver (resigned 13 September 2018)
M Wadsworth (resigned 13 September 2018)
A Pettitt (appointed 13 September 2018, resigned 31 August 2019)
C Anscombe (appointed 13 September 2018)
R Williams (appointed 1 November 2018)
L Jenkins (appointed 19 September 2019)

Directors' responsibilities statement

The directors are responsible for preparing the 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 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 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; 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 to 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.

Newbury & District Limited

Directors' Report (continued)
For the Year Ended 31 March 2019

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

BDO LLP were appointed as auditors during the year and will be proposed for reappointment in accordance with section 487(2) of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:



L Jenkins
Director

Date: 30 DECEMBER 2019

Newbury & District Limited

Independent Auditors' Report to the Members of Newbury & District Limited

Opinion

We have audited the financial statements of Newbury & District Limited (the "Company") for the year ended 31 March 2019 which comprise of the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related 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 company's affairs as at 31 March 2019 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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.

Newbury & District Limited

Independent Auditors' Report to the Members of Newbury & District Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditors' report 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 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 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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 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.
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Newbury & District Limited

Independent Auditors' Report to the Members of Newbury & District Limited (continued)

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.

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 an auditors' 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 at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' 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 auditors' 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.

BDO LLP

Gavin Crawford (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Reading
United Kingdom

30 DECEMBER 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Newbury & District Limited

Statement of Comprehensive Income For the Year Ended 31 March 2019

	Note	2019 £	2018 £
Turnover		2,201,126	2,357,891
Cost of sales		(2,330,151)	(2,349,903)
Gross (loss)/profit		<u>(129,025)</u>	<u>7,988</u>
Administrative expenses		(255,781)	(241,361)
Other operating income		47,019	54,993
Profit on sale of fixed assets		810,006	103,214
Operating profit/(loss)	5	<u>472,219</u>	<u>(75,166)</u>
Interest receivable		-	130
Interest payable and similar expenses		(26,777)	(42,252)
Profit/(loss) on ordinary activities before taxation		<u>445,442</u>	<u>(117,288)</u>
Taxation on profit/(loss) on ordinary activities	7	(147,642)	422,207
Profit on ordinary activities after taxation and total comprehensive income for the financial year		<u><u>297,800</u></u>	<u><u>304,919</u></u>

The results stated above are derived from continuing activities.

The notes on pages 9 to 16 form part of these financial statements.

Newbury & District Limited

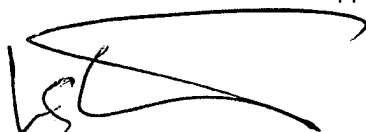
Registered number: 07491219

Balance Sheet As at 31 March 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	8		-		2,241,580
					<u>2,241,580</u>
Current assets					
Debtors: amounts falling due within one year	9	1,609,375		827,598	
Cash at bank and in hand		265,150		10,931	
		<u>1,874,525</u>		<u>838,529</u>	
Current liabilities					
Creditors: amounts falling due within one year	10	(464,055)		(784,145)	
Net current assets			1,410,470		54,384
Total assets less current liabilities			<u>1,410,470</u>		<u>2,295,964</u>
Creditors: amounts falling due after more than one year	11		-		(1,183,294)
Net assets			<u>1,410,470</u>		<u>1,112,670</u>
Capital and reserves					
Called up share capital	12,13		100		100
Profit and loss account	13		1,410,370		1,112,570
Shareholders' funds			<u>1,410,470</u>		<u>1,112,670</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



L Jenkins
Director

Date: 30 DECEMBER 2019

The notes on pages 9 to 16 form part of these financial statements.

Newbury & District Limited

Statement of Changes in Equity For the Year Ended 31 March 2019

	Called up share capital	Profit and loss account	Shareholders' funds
	£	£	£
At 1 April 2017	100	807,651	807,751
Comprehensive income for the year			
Profit for the year	-	304,919	304,919
Total comprehensive income for the year	-	304,919	304,919
At 1 April 2018	100	1,112,570	1,112,670
Comprehensive income for the year			
Profit for the year	-	297,800	297,800
Total comprehensive income for the year	-	297,800	297,800
At 31 March 2019	100	1,410,370	1,410,470

The notes on pages 9 to 16 form part of these financial statements.

Newbury & District Limited

Notes to the Financial Statements For the Year Ended 31 March 2019

1. General information

Newbury & District Limited ("the company") is a private company limited by shares, incorporated and domiciled in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page. The nature of the company's operations and its principal activities are set out in the Directors' Report on page 1.

2. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, Section 1A Small Entities ("FRS 102 Section 1A") and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 Section 1A requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 4).

The following principal accounting policies have been applied:

Turnover

Turnover, which excludes value added tax, represents amounts receivable by the company for services provided in the ordinary course of business. Turnover is recognised on the day of travel or, where appropriate, over the duration of the contract to supply travel services. Income from travel cards is apportioned and recognised in turnover according to the period for which the travel card is valid.

Pensions

The company operates a defined contribution scheme, The Newbury & District Pension Scheme. Contributions payable for the year are charged to profit or loss.

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit or loss on a straight line basis and is included in interest payable and similar expenses.

Operating leases: the company as lessee

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to profit or loss as incurred.

Operating leases: the company as lessor

Rental income from operating leases is credited to profit or loss as other operating income on a straight line basis over the term of the relevant lease.

Newbury & District Limited

Notes to the Financial Statements For the Year Ended 31 March 2019

2. Accounting policies (continued)

Government grants

Grants in respect of capital expenditure are credited to deferred income and are released to profit or loss over the expected useful lives of the relevant assets by equal annual instalments.

Grants of a revenue nature are credited to other income so as to match them with the expenditure to which they relate.

Taxation

Taxation represents the sum of tax currently payable and deferred tax. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxation is measured on a non-discounted basis at tax rates that would apply when the timing differences are reversed based on tax rates and laws that have been effected at the balance sheet date. No provision has been made in these financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated to write down the cost of the following assets over their expected useful lives.

The rates generally applicable are: -

Fixtures, Fittings and Motor Vehicles	-	20% Reducing Balance Basis
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Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The company's cash at bank and in hand, trade and other debtors, accruals, trade creditors and other creditors, and amounts owed to and by group companies are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Long term financial assets and liabilities are measured at their transaction price. This is a departure from the requirement in paragraph 17.13 of the accounting standard FRS 102. The directors are of the opinion that if interest was provided at the market rate on these transactions these financial statements would not show a true and fair view, as such interest would not be received or paid on settlement.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

Newbury & District Limited

Notes to the Financial Statements For the Year Ended 31 March 2019

3. Prior year restatement - Related party transactions

During the preparation of the current year financial statements it has become apparent that there was an error in the related party transaction disclosure in the prior year - see note 15, for which a correcting adjustment has had to be made.

The directors noted that the disclosure of the balance with Weavaway Travel Ltd was understated and the balance with Toppins Coaches Ltd was overstated. The error has been corrected in note 15 by the restatement of the amounts owed in the prior year. The impact of this restatement on the financial statements is as follows:

1. An increase of £328,853 in the amount owed to the company by Weavaway Travel Ltd which is included in debtors due within one year as at 31 March 2018.
2. A decrease of £328,853 in the amount owed to the company by Tappins Coaches Ltd which is included in debtors due within one year as at 31 March 2018.

The affect of the above restatement has not affected any of the financial statement areas other than the disclosure for the prior year in note 15. The amounts owed to the company in note 9 of £678,853 at 31 March 2018 remains the same.

4. Judgements in applying accounting policies and key sources of estimation uncertainty

In determining and applying accounting policies, judgement is often required where the choice of specific policy, assumption or accounting estimate to be followed could materially affect the reported results or net position of the company, should it later be determined that a different choice be more appropriate.

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

5. Operating profit/(loss)

This is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation	206,286	533,585
Rental of bus fleet	378,277	-

6. Employees

The average monthly number of employees, including directors, during the year was 40 (2018 - 36).

Newbury & District Limited

Notes to the Financial Statements For the Year Ended 31 March 2019

7. Taxation on profit/(loss) on ordinary activities

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	147,642	-
Total current tax	<u>147,642</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	-	(422,207)
Total deferred tax	<u>-</u>	<u>(422,207)</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit/(loss) on ordinary activities before tax	<u>445,442</u>	<u>(117,288)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	84,634	(22,285)
Effects of:		
Expenses not deductible for tax purposes	2,911	-
Adjust closing deferred tax to average rate of 19%	42	-
Adjust opening deferred tax to average rate of 19%	6,284	-
Deferred tax not recognised	53,771	22,285
Release of deferred tax liability	-	(422,207)
Total tax charge for the year	<u>147,642</u>	<u>(422,207)</u>

Factors that may affect future tax charges

The effect of changes to the corporation tax rates substantively enacted as part of the Finance Bill 2016 (on 7 September 2016) includes reductions to the main rate to reduce the rate to 17% from April 2020. Deferred taxes at the reporting date have been measured using these enacted tax rates and reflected in these financial statements.

There were no other factors that may affect future tax changes.

Newbury & District Limited

Notes to the Financial Statements For the Year Ended 31 March 2019

8. Tangible fixed assets

	Fixtures, Fittings and Motor Vehicles £
Cost	
At 1 April 2018	3,039,675
Additions	102,000
Disposals	(3,141,675)
At 31 March 2019	-
Depreciation	
At 1 April 2018	798,095
Charge for the year	206,286
Disposals	(1,004,381)
At 31 March 2019	-
Net book value	
At 31 March 2019	-
At 31 March 2018	2,241,580

On 13 September 2018, the company sold all of its fixtures, fittings and motor vehicles to Reading Transport Limited, its parent company for consideration of £2,947,300, resulting in a profit on disposal of £810,006.

9. Debtors: amounts falling due within one year

	2019 £	2018 £
Trade debtors	107,178	100,100
Amounts owed by group companies	1,406,819	-
Amounts owed by related companies	-	678,853
Other taxation and social security	24,190	-
Prepayments	24,169	23,652
Grants receivable	47,019	24,993
	<u>1,609,375</u>	<u>827,598</u>

Newbury & District Limited

Notes to the Financial Statements For the Year Ended 31 March 2019

9. Debtors: amounts falling due within one year (continued)

Amounts owed by related and group companies are interest free, with no fixed repayment terms and are repayable on demand.

10. Creditors: amounts falling due within one year

	2019 £	2018 £
Net obligations under finance lease and hire purchase contracts (secured) - see note 11	-	613,732
Amounts owed to group undertakings	138,710	-
Corporation tax	147,642	-
Trade creditors	44,832	8,778
Other taxation and social security	22,364	51,087
Accruals	105,877	109,012
Pension contributions	4,630	1,536
	<u>464,055</u>	<u>784,145</u>

11. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Net obligations under finance leases and hire purchase contracts (secured)	-	1,183,294

Obligations under finance leases and hire purchase contracts are secured on the assets concerned.

12. Called-up share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Newbury & District Limited

Notes to the Financial Statements For the Year Ended 31 March 2019

13. Reserves

The company's reserves are made up as follows:

Called up share capital

Called up share capital represents the nominal value of shares that have been issued.

Profit and loss account

The Profit and loss account represents cumulative profits, losses and total other recognised gains or losses made by the company, including distributions to, and contributions from, the parent company.

14. Commitments under operating leases

The company has future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings 2019 £	Land and buildings 2018 £
Within one year	40,000	20,783
In two to five years	1,194,000	-
	<u>1,234,000</u>	<u>20,783</u>

15. Related party transactions

The following companies are related by the virtue of common control and the amounts due or from or to the company at the balance sheet date are as follows:

	2019 £	As restated 2018 £
Weavaway Travel Ltd		
Amounts owed by related companies included within debtors	-	428,853
Tappins Coaches Ltd		
Amounts owed by related companies included within debtors	-	250,000

Weavaway Travel Ltd and Tappins Coaches Ltd were related companies by virtue of having a common director and shareholder S Weaver up to the date of 13 September 2018.

Newbury & District Limited

Notes to the Financial Statements For the Year Ended 31 March 2019

16. Ultimate parent and controlling party

The company's immediate parent company is Reading Transport Limited, a private company incorporated in England.

The smallest group in which the results of the company are consolidated is that headed by Reading Transport Limited. The consolidated financial statements of Reading Transport Limited are available to the public and can be obtained from the registered office at Great Knollys Street, Reading, Berkshire, RG1 7HH, England.

The controlling party of the company was S Weaver, a majority shareholder until the company was acquired by Reading Transport Limited on 13 September 2018.

The company's ultimate controlling party is now Reading Borough Council, which is incorporated in England. The consolidated financial statements of the council are available to the public.