

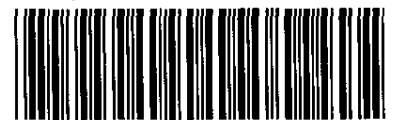
Directors' Report & Consolidated Financial Statements

For the period ended
31 December 2021

TRANSDEV
BLAZEFIELD
LIMITED

Registered number: 02605399
(England and Wales)

SATURDAY



ABJI6EVN

A02

24/12/2022

#27

COMPANIES HOUSE

TRANSDEV BLAZEFIELD LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS

	Page
Company information	1
Group strategic report	2 - 3
Directors' report	4 - 6
Directors' responsibilities	7
Independent auditors' report to the members of Transdev BlazeField Limited	8 - 10
Consolidated income statement	11
Consolidated statement of comprehensive income	11
Consolidated balance sheet	12
Company balance sheet	13
Consolidated statement of cash flows	14
Consolidated statement of changes in equity	15
Company statement of changes in equity	16
Notes to the financial statements	17 - 47

TRANSDEV BLAZEFIELD LIMITED

COMPANY INFORMATION

DIRECTORS	A L Hornby M Dale P Jaffard (Appointed 1 July 2021) D G Horgan (Resigned 30 June 2021) L F M J Rambaud (Resigned 30 June 2021) S M Morrell (Resigned 12 August 2021)
COMPANY SECRETARY	M Dale
REGISTERED OFFICE	Prospect Park Broughton Way Starbeck Harrogate HG2 7NY
REGISTERED NUMBER	02605399 (England and Wales)
AUDITORS	Mazars LLP 5 th Floor 3 Wellington Place Leeds LS1 4AP
BANKERS	NatWest Plc Turnpike House 123 High Street Crawley West Sussex RH10 1DQ

TRANSDEV BLAZEFIELD LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

The Directors present their Group strategic report for Transdev BlazeField Limited for the period ended 31 December 2021.

REVIEW AND ANALYSIS OF THE BUSINESS

The Company is a wholly owned subsidiary of Transdev Plc.

The principal activity of the Group continues to be the operation of scheduled bus services in Yorkshire and Lancashire. The Company's principal activity during the period continued to be that of a holding company and a lessor of buses. There have not been any significant changes in the Group's principal activities in the period under review. The Directors are not aware, at the date of this report, of any likely major changes in the group's activities in the next period.

The Directors will continue to focus on developing the business through investment and quality improvements, with a particular focus on routes that will deliver growth as part of an individual product-led strategy. Whilst the Directors consider that UK bus market conditions remain challenging in parts, due to the uncertain economic situation and continued reductions in local authority funding, opportunities exist by presenting strongly branded and highly specified customer offerings supported by modern technology and class-leading partnerships in both the public and private sectors. The Group will continue to promote industry-leading innovation and creativity to achieve long-term revenue and customer growth, alongside strong cost controls in place to deliver satisfactory results in the present climate.

KEY PERFORMANCE INDICATORS

As part of the wider Transdev Group the Directors believe that the key performance indicators relevant at this entity level are turnover and profit after tax as discussed below. Key performance indicators for the wider group are discussed in the annual report published by Transdev Group SA.

Transdev BlazeField senior management monitor weekly KPI's on passenger levels, revenue and key costs including fuel mpg, drivers' hours, accidents and reliability measures.

DEVELOPMENT AND FINANCIAL PERFORMANCE DURING THE PERIOD

As the group's income statement on page 11 shows Group turnover increased by 47.5% to £81.6m over the prior period (2020: 11.9% increase).

Operating losses of (2.8%) of turnover arose (2020: operating losses: 0.8% of turnover), due to recovery from the impact of the Covid-19 pandemic.

The consolidated balance sheet on page 12 of the financial statements shows the Group's financial position at the period end.

FINANCIAL POSITION AT THE REPORTING DATE

The Group has overall net assets of £12.0m (2020: £9.3m).

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors have established a continuing process of risk management within the Group to evaluate, monitor and manage any potential risks and uncertainties that could have an impact upon the Group's long term performance. The specific principal risks facing the Group include increasing labour and other costs as well as competitive pressures from local Government, funding cuts including concessions, tenders and the BSOG subsidy.

Fuel costs are heavily influenced by external factors and the Company manages this by improving fuel consumption through engineering maintenance and retrofitting the fleet to EURO VI standards. The Company is also embracing the latest bus technology and moving to electrified buses to reduce carbon emissions and fuel costs. To this end the Company has bided for an been awarded funding through the Department for Transport's Zero Emission Bus Regional Areas (ZEBRA) Scheme for the purchase of electric buses.

TRANSEDEV BLAZEFIELD LIMITED

GROUP STRATEGIC REPORT (Continued) FOR THE PERIOD ENDED 31 DECEMBER 2021

PRINCIPAL RISKS AND UNCERTAINTIES (Continued)

Following Russia's invasion of Ukraine, there has been a rise in energy and other commodity prices as well as further disruption of supply chains. The main impact on the Company has been an increase in the price of diesel fuel and energy costs. The Company has no investment or involvement in Russia or Ukraine.

The nationwide Covid-19 lockdown introduced on January 2021 has been lifted in four steps per their Covid roadmap. On 19 July 2021 the Government removed most of these restrictions as step 4, with the final restrictions ended on 1 April 2022. We are now following the guidance set out in the Governments "living with Covid" plan and continue to focus on looking after the health and safety of our customers and employees

The Directors have also established a strong culture of safety and security both for staff and passengers.

SECTION 172 (1) STATEMENT

The Directors recognise their duty to promote the success of the Company for the benefit of its shareholders as a whole whilst having due regard to the matters set out in Section 172(1) of the Companies Act 2006:

- The likely consequences of any decision in the long term.
- The interests of the Company's employees.
- The need to foster the Company's business relationships with suppliers, customers and others.
- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct.
- The need to act fairly as between members of the Company.

In providing class leading passenger transport services the Company works closely with a range of stakeholders, without which the operating businesses would not succeed, including local authorities with whom we work in partnership in delivering transport services across our operating areas. Meetings with a range of stakeholders are held regularly at all levels of the company's organisation with decisions taken with reference to their impact on relationships and sustainability.


The transport services provided are key requirements of the local communities that they serve without which residents would not be able to travel to their places of work or leisure as efficiently and cost effectively. Concessionary pass holders rely on the services operate to provide a means of reliable transport that helps to support mobility and quality of life.

The Company is also proud of the ongoing investment in its fleet of vehicles improving emission standards as well as enlarging its fleet of Zero Emission buses that are contributing to the Cleaner Air agenda and long-term Climate Change mitigation in the communities served.

The way the company deals with employee engagement is outlined within the Director's Report.

APPROVAL

This report was approved by the board on Dec 22, 2022 and signed on its behalf by


Alex Hornby (Dec 22, 2022 08:22 GMT)

A L Hornby - Director Dec 22, 2022
Dated:

TRANSDEV BLAZEFIELD LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

The Directors present their report with the consolidated financial statements of Transdev Blaze field Limited (the Group) for the period ending 31 December 2021.

FINANCIAL RISKS MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to certain financial risks. These include price risk related primarily to interest rate risk. The Group is not significantly exposed to foreign exchange risk, credit risk or other cash flow risk. Management reviews financial risks regularly in accordance with group policies. The Group currently uses a limited number of financial instruments to manage certain risks but does not hold financial instruments for speculative reasons.

The Group is also exposed to insurance costs. Details of the provision against claims can be found in note 19 to the financial statements. The Company manages this risk by the implementation of key procedures in respect to accident prevention, using a dedicated team along with driver training and awareness.

The Company regularly monitors the level of accident claims in consultation with its insurers to ensure appropriate provisions are made. The Directors regularly review the insurance cover needed by the company.

FUTURE DEVELOPMENTS

The Directors have prepared the financial statements on a going concern basis as they expect that the Company will continue to operate for the foreseeable future. In completing their going concern assessment, the Directors have considered the expected impact from Covid-19 pandemic on the Company's financial position and associated management actions to mitigate those impacts. Under the terms of CBSSG and CBSSGR, the Directors do not consider that there is a severe but plausible downside which could impact their going concern assumption.

POST BALANCE SHEET EVENTS

No significant events occurred after the balance sheet date.

ENVIRONMENT

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Company's activities.

Investing in new low-emission buses, converting older fleet to run on 100% electric with the aid of Government grants and also converting our fleet to reduce harmful nitrous oxide emissions by 96% are typical examples of initiatives undertaken to help reduce our environmental impact.

FINANCIAL INSTRUMENTS

The Group's activities are not significantly exposed to foreign exchange risk, credit risk or other cash flow risk. Management reviews financial risks regularly in accordance with Company policies.

DIVIDENDS

No dividend was paid to the parent company, Transdev Plc during the period (2020: £Nil).

POLITICAL CONTRIBUTIONS

No political donations were made during the current period (2020: £Nil).

TRANSDEV BLAZEFIELD LIMITED

DIRECTORS' REPORT (Continued) FOR THE PERIOD ENDED 31 DECEMBER 2021

DIRECTORS

The Directors of the company at the date of this report are given on page 1. The following Directors served during the period:

A L Hornby
M A Dale
P Jaffard (Appointed 1 July 2021)
D G Horgan (Resigned 30 June 2021)
L F M J Rambaud (Resigned 30 June 2021)
S M Morrell (Resigned 12 August 2021)

None of the Directors had an interest in the share capital of the Company or any of its subsidiaries at the end of the period.

QUALIFYING THIRD-PARTY INDEMNITY PROVISIONS

The Company has granted an indemnity to one or more of its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity provision remains in force as at the date of approving the Directors' report.

DISCLOSURE IN THE GROUP STRATEGIC REPORT

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' report have been omitted as they are included in the strategic report on page 2. These matters relate to asset values.

EMPLOYEE CONSULTATION

The Group encourages employee involvement in its affairs. The Group, including its subsidiary Companies produce a range of internal newsletters and circulars which keep employees abreast of developments. Employees are encouraged to discuss matters of interest to them and subjects affecting day to day operations with management. Dialogue takes place regularly with trade unions, other employee representatives and employees generally on a wide range of issues. The group welcomes staff participation in all these forums.

DISABLED EMPLOYEES

The Group's policy in respect of disabled persons is that their applications for employment are always fully and fairly considered, bearing in mind the aptitudes and abilities of the applicant concerned. In the event of a member of staff becoming disabled, every effort is made to ensure that employment within the group continues and where necessary, appropriate training is arranged. It is the group's policy that training, career development and promotion of disabled persons should, as far as possible, be identical with that of all other employees in similar position.

CORPORATE RESPONSIBILITY

Safety and security are of paramount importance to the Group, both for our employees and our customers. The Group and each operating subsidiary have a Health and Safety plan which supports the objective of continuous improvement in safety management. We closely monitor the frequency of accidents and focus resources and training to reduce those accidents which are preventable. The majority of our bus fleet is equipped with CCTV coverage for the safety and security of our customers and staff. Testing for the use of alcohol and drugs by employees is carried out regularly within our operations.

It is a condition of employment that all college/school drivers employed by the Group are subject to, and cleared by, Disclosure Barring Services (DBS) checks.

TRANSDEV BLAZEFIELD LIMITED

DIRECTORS' REPORT (Continued) FOR THE PERIOD ENDED 31 DECEMBER 2021

GOING CONCERN

As detailed in the Directors' Report the financial statements have been prepared on the going concern basis as they expect that the Company and the Group will continue to operate for the foreseeable future. In completing their going concern assessment, the Directors have considered the Group's financial position, and that of its subsidiaries, and associated management actions to mitigate those impacts. Taking the current performance of the business, the Directors are satisfied that the operations remain as a going concern and do not envisage any plausible downside scenario during 2022 that would compromise this, whilst the expectation is that 2023 will see a return to relative normality. Consequently the Directors are satisfied that the business has demonstrated and continues to demonstrate its ability to continue as a going concern.


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a Director at the date of approval of this annual report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Mazars LLP have indicated their willingness to continue in office.
By order of the Board:



Alex Hornby (Dec 22, 2022 08:22 GMT)

A L Hornby – Director Dec 22, 2022
Dated:

TRANSDEV BLAZEFIELD LIMITED

DIRECTORS RESPONSIBILITIES IN REPECT OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021


Company law requires the Directors to prepare financial statements for each financial year. 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 Group and of the profit or loss of the Company and of the group for that period. In preparing the financial statements, the Directors are required to:

- Present fairly the financial position, financial performance and cash flows of the Company and of the Group;
- select suitable accounting policies in accordance with IAS 8: *Accounting Policies, Changes in Accounting Estimates and Errors* and apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and accounting estimates that are reasonable and prudent;
- provide additional disclosures when compliance with the specific requirements in international accounting standards in conformity with the requirements of the Companies Act 2006 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's and the group's financial position and financial performance; and
- state whether the group financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and of the group and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors 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.

By order of the Board:


Alex Hornby (Dec 22, 2022 08:22 GMT)

A L Hornby – Director
Dated: Dec 22, 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRANSDEV BLAZEFIELD LIMITED

OPINION

We have audited the financial statements of Transdev Blazefield Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, company balance sheet, consolidated statement of cash flows, consolidated statement of changes in equity, company statement of changes in equity and 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 international accounting standards in conformity with the requirements of the Companies Act 2006.

In our opinion, the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and, as regards the parent company financial statements, as applied in accordance with the provisions 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. We are independent of the group and the parent 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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Directors' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION 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 the directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITY OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 2, 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the year-end cut off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:


- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.


Shaun Mullins (Dec 22, 2022 10:37 GMT)

Shaun Mullins (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
5th Floor,
3 Wellington Place
Leeds
LS1 4AP
Date: Dec 22, 2022

TRANSDEV BLAZEFIELD LIMITED

**CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Notes	Period ending 31 December 2021 £'000	Period ending 19 December 2020 (Restated) £'000
Continuing operations			
Revenue	1	81,610	55,321
Cost of sales		(83,904)	(55,691)
Operating loss before exceptional items	2	(2,294)	(370)
Exceptional items	6	-	(22)
Operating loss after exceptional items		(2,294)	(392)
Finance costs	5	(654)	(665)
Loss before tax		(2,948)	(1,057)
Tax	7	236	70
Loss for the period attributable to equity holders		(2,712)	(987)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Notes	Period ending 31 December 2021 £'000	Period ending 19 December 2020 (Restated) £'000
Loss for the period attributable to equity holders		(2,712)	(987)
Other recognised income and expense			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Net fair value losses on cash flow hedges		-	(29)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Actuarial gains/(losses) on retirement benefit schemes	21	5,460	(2,238)
Tax relating to items taken directly to equity	7	(651)	291
Other comprehensive gains/(losses) net of tax		4,809	(1,947)
Total comprehensive income for the period attributable to equity holders of the parent Company		2,097	(2,963)


The notes on pages 17 - 47 form part of these financial statements.

TRANSDEV BLAZEFIELD LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021**

		As At 31 December 2021 £'000	As At 19 December 2020 (Restated) £'000
	Notes		
Non-current assets			
Goodwill	8	1,666	1,393
Intangible assets	9	250	313
Property, plant & equipment	10	10,118	9,173
Right of use assets	11	19,254	16,277
Deferred tax assets	12	373	1,307
		<u>31,661</u>	<u>28,463</u>
Current assets			
Inventories	14	1,371	696
Trade and other receivables	15	16,977	14,501
Cash and cash equivalents	16	6,153	4,064
		<u>24,501</u>	<u>19,261</u>
Total assets		<u>56,162</u>	<u>47,724</u>
Current liabilities			
Trade and other payables	17	(17,880)	(13,613)
Current provisions	19	(1,383)	(964)
Lease liabilities	20	(4,626)	(3,991)
		<u>(23,889)</u>	<u>(18,568)</u>
Net current assets		<u>612</u>	<u>693</u>
Non-current liabilities			
Other payables	18	(4,165)	(237)
Lease liabilities	20	(14,704)	(11,942)
Retirement benefit obligations	21	(1,385)	(7,706)
		<u>(20,254)</u>	<u>(19,885)</u>
Total liabilities		<u>(44,143)</u>	<u>(38,453)</u>
Net assets		<u>12,019</u>	<u>9,271</u>
Equity			
Share capital	22	11,803	11,803
Reserves		216	(2,532)
Total equity		<u>12,019</u>	<u>9,271</u>

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


Alex Hornby¹ Dec 22, 2022 08:22 GMT+1

A L Hornby – Director
Dated: Dec 22, 2022


The notes on pages 17 - 47 form part of these financial statements.

TRANSDEV BLAZEFIELD LIMITED

**COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021**

		As At 31 December 2021 £'000	As At December 2020 (Restated) £'000
	Notes		
Non-current assets			
Property, plant & equipment	10	6,546	5,953
Right of use assets	11	18,846	15,760
Investment in subsidiary	13	9,697	9,425
Deferred tax assets	12	307	1,017
		<u>35,396</u>	<u>32,155</u>
Current assets			
Trade and other receivables	15	9,689	3,757
Cash and cash equivalents	16	-	998
		<u>9,689</u>	<u>4,755</u>
Total assets		<u>45,085</u>	<u>36,910</u>
Current liabilities			
Trade and other payables	17	(8,684)	(4,812)
Bank overdraft	16	(382)	-
Current provisions	19	(1,383)	(964)
Lease liabilities	20	(3,833)	(3,991)
		<u>(14,282)</u>	<u>(9,767)</u>
Net current liabilities		<u>(4,593)</u>	<u>(5,012)</u>
Non-current liabilities			
Other payables	18	(19,004)	(16,714)
Lease liabilities	20	(14,393)	(11,425)
Retirement benefit obligations	21	(1,385)	(7,706)
		<u>(34,782)</u>	<u>(35,845)</u>
Total liabilities		<u>(49,064)</u>	<u>(45,612)</u>
Net liabilities		<u>(3,979)</u>	<u>(8,702)</u>
Equity			
Share capital	22	11,803	11,803
Reserves		(15,782)	(20,505)
Total equity		<u>(3,979)</u>	<u>(8,702)</u>

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


Alex Hornby (Dec 22, 2022 08:22 GMT)

A L Hornby - Director Dec 22, 2022
Dated:

The notes on pages 17 - 47 form part of these financial statements.

TRANSDEV BLAZEFIELD LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

		2021	2020
	Notes	£'000	(Restated) £'000
Cash flows from operating activities			
Operating loss		(2,293)	(370)
Adjusted for:			
Depreciation on Property, plant & equipment	10	1,054	1,984
Depreciation on Right of use assets	11	4,318	4,480
Amortisation of intangible assets	9	63	63
Exceptional items	6	-	(22)
Loss on disposal of on disposal of assets	10	17	3
Release of capital grants	10	637	(141)
Movement in provisions	19	419	(1,348)
Increase in inventories	14	(675)	(221)
Increase in receivables	15	(2,476)	(960)
Increase/(decrease) in payables	17	4,267	(835)
Pension contributions	21	(963)	-
Cash flow from operating activities before tax		4,368	2,633
Income tax paid		1,170	-
Net cash inflow from operating activities		5,538	2,633
Cash flows from investing activities			
Purchase of property, plant & equipment		(1,426)	(2,825)
Purchase of Right of use assets		(8,380)	(590)
Proceeds on disposal on property, plant & equipment	10	-	63
Proceeds on disposal on Right of use assets	11	1,089	-
Cash utilised in business combinations	23	(1,500)	-
Net cash used in investing activities		(10,217)	(3,352)
Cash flows from financing activities			
Finance costs		(552)	(665)
Interest paid		-	(832)
Payment of principal of lease liabilities		3,397	-
Drawdown of borrowings		3,928	-
Other		(5)	-
Net cash movement in financing activities		6,768	(1,497)
Net increase / (decrease) in cash and cash equivalents		2,089	(2,216)
Cash and cash equivalents at beginning of period		4,064	6,280
(Decrease)/increase in cash in the period		2,089	(2,216)
At the end of the period		6,153	4,064

The notes on pages 17 - 47 form part of these financial statements.

TRANSDEV BLAZEFIELD LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2021**

Group	Notes	Equity share capital £'000	Revaluation reserve £'000	Cash flow hedging reserve £'000	Pension Reserve £'000	Retained earnings £'000	Total (Restated) £'000
At 21 December 2019		11,803	719	(140)	(5,336)	4,912	11,958
Loss for the period		-	-	-	-	(987)	(987)
Transfer to retained earnings		-	-	140	-	(140)	-
Revaluations			335	-	-	-	335
Actuarial losses on retirement benefit schemes	21	-	-	-	(2,035)	-	(2,035)
At 19 December 2020		11,803	1,054	-	(7,371)	3,785	9,271
Loss for the period		-	-	-	-	(2,712)	(2,712)
Actuarial gains on retirement benefit schemes	21	-	-	-	5,460	-	5,460
At 31 December 2021		11,803	1,054	-	(1,911)	1,073	12,019

Revaluation reserve

The revaluation reserve is used to record the movement in the market value of freehold land and buildings. This reserve is not distributable.

Cash flow hedging reserve

The cash flow hedging reserve represents the net gains or losses, net of tax, on effective cash flow hedging instruments that will be recycled to the income statement when the hedged transaction affects profit or loss.

Pension reserve

The pension reserve is used to record actuarial gains and losses on the Group's pension schemes.

Retained earnings

The retained earnings is the cumulative profit or loss attributable to equity holders. This reserve is distributable.

The notes on pages 17 - 47 form part of these financial statements.

TRANSDEV BLAZEFIELD LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2021**

Company	Notes	Equity share capital £'000	Revaluation reserve £'000	Cash flow hedging reserve £'000	Pension Reserve £'000	Retained earnings £'000	Total (Restated) £'000
At 21 December 2019		<u>11,803</u>	<u>456</u>	<u>(140)</u>	<u>(5,336)</u>	<u>(5,916)</u>	<u>867</u>
Loss for the period		-	-	-	-	(7,546)	(7,546)
Transfer to retained earnings		-	-	140	-	(140)	-
Revaluations		-	12	-	-	-	12
Actuarial losses on retirement benefit schemes	21	-	-	-	(2,035)	-	(2,035)
At 19 December 2020		<u>11,803</u>	<u>468</u>	<u>-</u>	<u>(7,371)</u>	<u>(13,602)</u>	<u>(8,702)</u>
Loss for the period		-	-	-	-	(737)	(737)
Actuarial gains on retirement benefit schemes	21	-	-	-	5,460	-	5,460
At 31 December 2021		<u>11,803</u>	<u>468</u>	<u>-</u>	<u>(1,911)</u>	<u>(14,339)</u>	<u>(3,979)</u>

The notes on pages 17 - 47 form part of these financial statements.

TRANSDEV BLAZEFIELD LIMITED

PRINCIPAL ACCOUNTING POLICIES FOR THE PERIOD ENDED 31 DECEMBER 2021

Transdev Blazefield Limited operates as a holding Company and as a lessor of buses. The Company is a private limited Company and is incorporated and domiciled in the United Kingdom. The address of its registered office is Prospect Park, Broughton Way, Starbeck, Harrogate, HG2 7NY.

These financial statements incorporate the financial statements of both the Group and the Company. The financial statements of the Group and Company are drawn up to 31 December 2021 (2020: period ended 19 December 2020).

Items included in the financial statements of the Company and of the Group are measured using the currency of the primary economic environment in which the Company and group operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency. The financial statements of the company are rounded to the nearest thousand (£'000).

The Company does not have any foreign operations.

No income statement is presented for the Company as permitted by Section 408 of the Companies Act 2006. The Company's loss for the period after taxation was £0.7m (2020: £7.5m loss).

PRINCIPAL ACCOUNTING POLICIES

BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. The principal accounting policies adopted are set out below.

BASIS OF CONSOLIDATION

The Group financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries) and the Group's share of interests in joint ventures and associates under acquisition accounting principles from the date control passes. Control is achieved where the Group has the power to govern the financial and operating policies of an investee so as to obtain benefits from its activities.

Subsidiaries

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities and is achieved through direct or indirect ownership of voting rights; currently exercisable or convertible potential voting rights; or by way of contractual agreement. The financial statements of subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting period as the parent Company and are based on consistent accounting policies. All intragroup balances and transactions, including unrealised profits arising from them are eliminated in full.

A change in ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it (i) derecognises the assets (including goodwill) and liabilities of the subsidiary; (ii) derecognises the carrying value of any non-controlling interest; (iii) derecognises the cumulative translation differences, recorded in equity; (iv) recognises the fair value of the consideration received; (v) recognises the fair value of any investment retained; (vi) recognises any surplus or deficit in profit or loss; (vi) reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

TRANSDEV BLAZEFIELD LIMITED

PRINCIPAL ACCOUNTING POLICIES FOR THE PERIOD ENDED 31 DECEMBER 2021

CHANGE IN ACCOUNTING POLICIES

During the period the following new accounting policies were adopted, none of which have a material impact on the financial statements:

IFR9 – Financial Instruments

GOING CONCERN

As detailed in the Directors' Report the financial statements have been prepared on the going concern basis as they expect that the Company and the Group will continue to operate for the foreseeable future. While external factors such as Covid-19 and increasing costs have adverse impacts on operations, the Company continues to provide services to Heathrow staff and customers and has remained profitable. The Directors are satisfied that the operations remain as a going concern and do not envisage any plausible downside scenario during 2022 and 2023 that would compromise this. Consequently, the Directors are satisfied that the business has demonstrated and continues to demonstrate its ability to continue as a going concern.

REVENUE RECOGNITION

Revenue is recognised to the extent that performance obligations are met. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable from operating scheduled bus services and income from other commercial services, net of VAT.

The following performance obligations must be met before revenue is recognised.

Rendering of services

The revenue of the Group comprises income from road passenger transport. Bus revenue comprises amounts receivable from ticket sales and revenue generated from services provided on behalf of from local authorities and similar contracts. Revenue is recognised by reference to the stage of completion of the customer's journey or for other services based on the proportion of the services provided. The attributable share of season ticket or travel card income is deferred within liabilities and released to the income statement over the life of the relevant season ticket or travel card. Income from advertising and other activities is recognised as the income is earned.

Dividends

Income from dividends is recognised when the Group or Company's right to receive payment is established.

Interest income

Interest income is accrued using the effective interest rate. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

Grant income

A government grant is recognised only when there is reasonable assurance that the entity will comply with any conditions attached to the grant and the grant will be received. The grant is recognised as income over the period necessary to match it with the related costs, for which they are intended to compensate, on a systematic basis.

During the period the Company received Coronavirus Bus Service Support (CBSSG) and Bus Recovery Grant (BRG) grant income. The income received has been recognised in the period to which the underlying costs relate to.

**PRINCIPAL ACCOUNTING POLICIES
FOR THE PERIOD ENDED 31 DECEMBER 2021**

BUSINESS COMBINATIONS AND GOODWILL

All business combinations are accounted for by applying the purchase method. The cost of an acquisition is measured at the fair value of the total consideration paid. Assets and liabilities assumed on a business combination are recorded at their fair value at the date of acquisition.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment loss. Goodwill is reviewed for impairment at least annually by assessing the recoverable amount of each cash-generating unit to which the goodwill relates. When the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

Recoverable amounts of the cash-generating units are based on value in use, which is calculated from value in use calculations. The key assumptions for the value in use calculations are those regarding discount rates, growth rates and expected changes in margins. Management estimates discount rates using pre-tax rates that reflect current market assessment of the time value of money. Changes in fare and contract prices and direct costs are based on past experience and expectations of future changes in the market.

FIXED ASSET INVESTMENTS

Fixed asset investments are stated at cost less provision for any impairment.

INVENTORIES

Inventories consist of parts, materials and fuel required for the operation and maintenance of buses and is stated at the lower of cost or net realisable value. Cost comprise of direct materials and where applicable direct labour and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of selling. Where net realisable value is lower than cost a provision is made for the difference. Movements in the inventory provision in the period are charged or credited to the income statement.

PROPERTY, PLANT AND EQUIPMENT

Depreciation is charged so as to write off the cost (or valuation) of assets, other than freehold land, over their estimated useful lives, using the straight-line method on the following bases:

Freehold buildings	50 years
Leasehold land and buildings improvements	6-10 years
Buses	7-15 years
Plant and equipment	3-10 years

Assets held under finance lease are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

The gain or loss arising on disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

TRANSDEV BLAZEFIELD LIMITED

PRINCIPAL ACCOUNTING POLICIES FOR THE PERIOD ENDED 31 DECEMBER 2021

RIGHT OF USE ASSETS

Leasing arrangements

The Group assesses at a contracts inception whether a contract is, or contains a lease. A contract is or contains a lease arrangement where the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- The Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- The Group has the right to direct the use of the identified asset throughout the period of use.

The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group applies the short-term lease recognition exemption to its short-term and low-value leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term and no right of use asset or lease liability is recognised in the statement of financial position.

INTANGIBLE ASSETS

Intangible assets are stated at cost less accumulated amortisation and any recognised impairment loss.

Intangible assets with a finite life are amortised on a straight-line basis over their estimated useful lives. The estimated useful lives of intangible assets are as follows:

Other intangible long-term contracts	between 1 and 8 years.
--------------------------------------	------------------------

**PRINCIPAL ACCOUNTING POLICIES
FOR THE PERIOD ENDED 31 DECEMBER 2021**

GOVERNMENT GRANTS

A government grant is recognised only when there is reasonable assurance that the entity will comply with any conditions attached to the grant and the grant will be received. The grant is recognised as income over the period necessary to match it with the related costs, for which they are intended to compensate, on a systematic basis. A grant relating to assets is recognised by deducting the grant from the asset's carrying amount and a grant relating to income is deducted from the related expense.

Grants have been received by the Group to contribute towards the refurbishment of buses and a new bus depot.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets

The Group's financial assets include cash, trade and other receivables and derivative financial instruments. Financial assets are initially recognised at fair value, with changes in fair value being recognised through the Profit and Loss (FVTPL), Amortised Cost or Fair Value through Other Comprehensive Income (FVTOCI)

Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand and demand deposits and are subject to an insignificant risk of change in value and are recognised at fair value.

Financial Liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments. Financial liabilities are initially recognised at fair value, with subsequent changes in fair value being recognised as appropriate.

Trade payables

Trade payables are unsecured amounts due to suppliers for goods and services provided. Trade payables are initially measured at fair value, and are not interest bearing. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Interest-bearing borrowings

Interest-bearing loans are initially recorded at the value of the amount received, net of attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Income Statement over the period of the borrowing on an effective interest rate.

Interest-bearing borrowings are classified as current liabilities unless the Group or Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs

TRANSDEV BLAZEFIELD LIMITED

PRINCIPAL ACCOUNTING POLICIES FOR THE PERIOD ENDED 31 DECEMBER 2021

RETIREMENT BENEFIT COSTS

The Company operates two defined benefit retirement schemes. These plans are funded schemes with values determined by actuarial calculations.

The defined benefit plans define an amount of pension that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect to defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates or high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms of the related pension liability.

Actuarial gains and losses arising are charged or credited to other comprehensive income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in scheme membership or a reduction of future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant claim gain or loss recognised in the income statement during the period in which the settlement or curtailment occurs.

The Group also operates a number of defined contribution retirement schemes. The contributions to these schemes are recognised as an expense when they fall due.

PROVISIONS

A provision is recognised in the balance sheet when the Group or the Company has a present, legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the Directors' best estimate of the expenditure required to settle the Group or Company's liability.

**PRINCIPAL ACCOUNTING POLICIES
FOR THE PERIOD ENDED 31 DECEMBER 2021**

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interest in joint ventures except where the Group is able to contract the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally-enforceable right to set-off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Group or Company intends to settle its current tax assets and liabilities on a net basis.

STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS THAT ARE NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the following standards, amendments and interpretations were in issue but not yet effective (and in some cases had not yet been adopted by the EU), had not been adopted by the company:

- Amendments to IAS 37: 'Provision, Contingent Liabilities and Contingent Assets', effective from 1 January 2022;
- Amendments to IAS 1: 'Presentation of Financial Statements'; effective from 1 January 2023;
- Annual Improvements to IFRS 2018-2020, effective from 1 January 2022
- Amendments to IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', effective from 1 January 2023
- Amendments to IAS 12: 'Income Taxes', effective from 1 January 2023; and
- Amendments to IAS 16: 'Property, Plant and Equipment', effective from 1 January 2022

**PRINCIPAL ACCOUNTING POLICIES
FOR THE PERIOD ENDED 31 DECEMBER 2021**

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following judgements have the most significant effect on amounts recognised in the financial statements:

Uninsured liabilities

The Group limits its exposure to the cost of motor and public liability claims through insurance policies issued by third parties. These provide cover for individual claims subject to an excess. A liability is recognised for the estimated cost to the Group to settle claims for incidents occurring prior to the balance sheet date.

The estimation of this liability is based on an assessment of the expected settlement on known claims, together with an estimate of settlements that will be made in respect of incidents occurring prior to the balance sheet date but that have not yet been reported to the Group by the insurer.

Pensions and other employment benefits

The cost of defined benefit pensions plans and other post-employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty.

In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population of bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. Future salary increases and pension increases are based on expected future inflation rates. Further details are given in note 22.

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

1. REVENUE

All of the Group's turnover and loss before taxation derives from the group's principal activity of operating scheduled bus services and is generated in the UK.

2. LOSS FROM OPERATIONS

The loss before taxation is stated after charging/(crediting):

	2021	2020
	£'000	(Restated) £'000
Auditor' remuneration	49	49
Depreciation – Property, plant & equipment	1,054	501
Depreciation – Right of use assets	4,318	4,480
Amortisation of intangibles assets	63	63
Loss on disposal of property, plant & equipment	-	3
Release of capital grants	(607)	(141)
Reimbursement of fuel tax	(3,896)	(3,175)
Cost of inventories recognised as an expense	10,503	12,448
Pension costs	1,205	975

3. STAFF COSTS

The average number of persons employed by the group during the period was as follows:

	2021	2020
	Number	Number
Drivers and conductors	1,062	799
Maintenance and engineers	182	122
Office and management	108	92
	<u>1,352</u>	<u>1,013</u>

Their aggregate remuneration comprised:

	2021	2020
	£'000	£'000
Wages and salaries	34,272	27,895
Social security costs	2,812	1,855
Other pension costs	1,205	864
	<u>38,289</u>	<u>30,614</u>

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

4. EMOLUMENTS OF DIRECTORS

	2021 £'000	2020 £'000
Aggregate emoluments	471	358
Company contributions to defined contribution pension scheme	54	31
	<u>525</u>	<u>389</u>

The aggregate emoluments paid to the highest paid Director during the period was £161k (2020: £164k). The pension contributions paid for the highest paid Director was £21k (2020: £18k).

At 31 December 2021, 4 Directors (2020: 3) had retirement benefits accruing under a defined contribution pension scheme.

5. FINANCE COSTS

	2021 £'000	2020 (Restated) £'000
On lease payments	654	549
On defined benefit pension schemes	102	116
	<u>756</u>	<u>665</u>

6. EXCEPTIONAL ITEMS

	Group		Company
	2021 £'000	2020 £'000	2021 £'000
			2020 £'000
Other restructuring	-	22	-
	<u>-</u>	<u>22</u>	<u>-</u>

During the period, certain members of the Group performed a restructure whereby members of staff were made redundant. The costs involved in this restructure amounted to £Nil (2020: £22k).

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

7. TAXATION

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

	2021	2020
	£'000	£'000
Corporation tax		
Group relief receivable	(365)	(155)
Adjustments in respect of prior periods	(153)	81
Total current tax credit	<u>(518)</u>	<u>(74)</u>
Deferred tax		
Origination and reversal of timing differences	975	206
Adjustment in respect of prior periods	(213)	(72)
Effect of tax rate change on opening balance	(480)	(130)
	<u>282</u>	<u>4</u>
Tax credit in the income statement	<u>(236)</u>	<u>(70)</u>

Corporation tax is calculated at 19% (2020: 19%) of the estimated assessable profit for the period.

The charge for the period can be reconciled to the profit per the income statement as follows:

	2021	2020
	£'000	£'000
Loss before tax	<u>(2,434)</u>	<u>(925)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020: 19%)	(462)	(176)
Prior period adjustment	-	(19)
Permanent differences	-	199
Deferred tax not recognised	-	(20)
Re-measurement of deferred tax – change in UK tax rate	(86)	(138)
Current and deferred tax charged directly to other comprehensive income	(815)	59
Expenses not deductible for tax purposes	535	25
Fixed asset differences	(81)	-
Amount credited directly to the SORIE or otherwise transferred	1,037	-
Adjustment to losses	(25)	-
Group relief surrendered	202	-
Receipt of Group relief	(202)	-
Adjustments to tax charge in respect of previous periods	(153)	-
Adjustments to tax charge in respect of previous periods – deferred tax	(213)	-
Additional deductions for land remediation expenditure	(2)	-
Temporary differences not recognised	29	-
Tax credit in the income statement	<u>(236)</u>	<u>(70)</u>

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

8. GOODWILL

The Group value is as follows:

	2021	2020
	£'000	£'000
Cost		
Opening balance	8,002	8,002
Acquisition (see note 23)	273	-
Closing balance	<u>8,275</u>	<u>8,002</u>
Impairment		
Opening balance	6,609	6,609
Closing balance	<u>6,609</u>	<u>6,609</u>
Carrying value	<u>1,666</u>	<u>1,393</u>

Goodwill relates to the acquisition of Rossendale Transport Limited by Transdev Blazefield Limited in 2018. Further goodwill arose on the acquisition of Team Pennine in July 2021.

The recoverable amount of the cash generating unit was determined based on a value in use calculation performed by the Directors during the period. The value in use calculation comprises projected future expected cash flows over the next five years, based on financial budgets that have been approved by management. The assumptions made, including a long term growth rate are based on management's assessment of current market and economic conditions, in addition to historical experience and detailed budgets.

The calculation of the value in use of the cash generating unit is sensitive to assumptions made over discount rates and the growth rate used to extrapolate the cash flows.

The key assumptions used for cash generation are :

- Discount rate applied to cash flow projections 12.3%
- Growth rate used to extrapolate the cash flows 2%

No further impairment is required for the current period.

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

9. INTANGIBLE ASSETS

The Group value is as follows:

	2021	2020
	£'000	£'000
Cost		
Opening balance	1,015	1,015
Depreciation		
Opening balance	702	639
Charge for the period	63	63
Closing balance	765	702
Carrying value	250	313

Other intangibles comprise the benefit of contracts acquired. The amortisation charge is included in cost of sales.

10. PROPERTY, PLANT AND EQUIPMENT

GROUP

	Freehold land and buildings	Leasehold land and buildings improvements	Buses	Plant and equipment	Deferred capital grants (Restated)	Total (Restated)
	£'000	£'000	£'000	£'000	£'000	£'000
COST OR VALUATION						
19 December 2020 (Restated)	4,160	4,001	28,774	6,645	(2,785)	40,795
Additions	103	43	1,832	675	(637)	2,016
Disposals	-	-	(4,239)	(39)	-	(4,278)
At 31 December 2021	4,263	4,044	26,367	7,281	(3,422)	38,533
DEPRECIATION						
19 December 2020	-	2,224	24,317	6,076	(995)	31,622
Charge for period	15	302	1,106	238	(607)	1,054
On disposals	-	-	(4,230)	(31)	-	(4,261)
At 31 December 2021	15	2,526	21,193	6,283	(1,602)	28,415
CARRYING AMOUNT						
At 31 December 2021	4,248	1,518	5,174	998	(1,820)	10,118
At 19 December 2020 (Restated)	4,160	1,777	4,457	569	(1,790)	9,173

TRANSDEV BLAZEFIELD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021

10. PROPERTY, PLANT AND EQUIPMENT (Continued)

COMPANY	Freehold land and buildings	Leasehold land and buildings improvements	Buses	Plant and equipment	Deferred capital grants (Restated) £'000	Total (Restated) £'000
	£'000	£'000	£'000	£'000		
COST OR VALUATION						
19 December 2020 (Restated)	1,850	1,493	28,419	2,657	(2,785)	31,634
Additions	-	10	1,828	153	(637)	1,354
Disposals	-	-	(4,237)	-	-	(4,237)
At 31 December 2021	1,850	1,503	26,010	2,810	(3,422)	28,751
DEPRECIATION						
19 December 2020	-	265	24,195	2,216	(995)	25,681
Charge for period	-	155	1,026	177	(607)	751
On disposals	-	-	(4,227)	-	-	(4,227)
At 31 December 2021	-	420	20,994	2,393	(1,602)	22,205
CARRYING AMOUNT						
At 31 December 2021	1,850	1,083	5,016	417	(1,820)	6,546
At 19 December 2020 (Restated)	1,850	1,228	4,224	441	(1,790)	5,953

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

11. RIGHT OF USE ASSETS

GROUP

	Freehold land and buildings	Buses	Plant and equipment	Total (Restated)
	£'000	£'000	£'000	£'000
COST OR VALUATION				
At 19 December 2020 (Restated)	3,256	21,223	958	25,437
Additions	354	6,774	1,256	8,384
Disposals	-	(1,282)	-	(1,282)
At 31 December 2021	3,610	26,715	2,214	32,539
DEPRECIATION				
At 19 December 2020 (Restated)	448	8,214	498	9,160
Charge for period	360	3,625	333	4,318
Disposals	-	(193)	-	(193)
At 31 December 2021	808	11,646	831	13,285
CARRYING AMOUNT				
At 31 December 2021	2,802	15,069	1,383	19,254
At 19 December 2020 (Restated)	2,808	13,009	460	16,277

Land and buildings were revalued in January 2021 by Hayfield Robinson, independent property valuers, on the basis of market value. The Directors have updated this valuation as at 31 December 2021 and confirmed that the existing valuation as at January 2021 is appropriate. Had the land and buildings of the group been carried at historical cost less accumulative depreciation and accumulative impairment losses, their carrying amount would have been £3.0m (2020: £3.0m).

The revaluation surplus is disclosed in the statement of changes in equity.

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

11. RIGHT OF USE ASSETS (Continued)

COMPANY

	Freehold land and buildings	Buses (Restated)	Plant and equipment	Total (Restated)
	£'000	£'000	£'000	£'000
COST OR VALUATION				
At 19 December 2020	3,256	19,745	958	23,959
Additions	354	6,771	1,256	8,381
Disposals	-	(1,282)	-	(1,282)
At 31 December 2021	3,610	25,234	2,214	31,058
DEPRECIATION				
At 19 December 2020	448	7,251	500	8,199
Charge for period	360	3,516	333	4,209
Disposals	-	(195)	(1)	(196)
At 31 December 2021	808	10,572	832	12,212
CARRYING AMOUNT				
At 31 December 2021	2,802	14,662	1,382	18,846
At 19 December 2020	2,808	12,494	458	15,760

Land and buildings were revalued in January 2021 by Hayfield Robinson, independent property valuers, on the basis of market value. The Directors have updated this valuation as at 31 December 2021. At 31 December 2021, had the land and buildings of the Company been carried at historical cost less accumulative depreciation and accumulative impairment losses, their carrying amount would have been £1.8m (2020: £1.8m).

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

12. DEFERRED TAX

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior reporting period.

Group	Accelerated tax depreciation £'000	Revaluation £'000	Cash flow hedging obligation £'000	Retirement benefit obligations £'000	Total £'000
At 21 December 2019	274	59	134	(1,488)	(1,021)
Charge to income	5	-	-	-	5
Credit to equity	-	(59)	(29)	(203)	(291)
At 19 December 2020	279	-	105	(1,691)	(1,307)
Charge to income	(306)	-	-	589	283
(Credit)/charge to equity	-	-	(105)	756	651
At 31 December 2021	(27)	-	-	(346)	(373)

Company	Accelerated tax depreciation £'000	Revaluation £'000	Cash flow hedging obligation £'000	Retirement benefit obligations £'000	Total £'000
At 21 December 2019	314	59	134	(1,488)	(981)
Charge to income	255	-	-	-	255
Credit to equity	-	(59)	(29)	(203)	(291)
At 19 December 2020	569	-	105	(1,691)	(1,017)
Charge to income	(530)	-	-	589	59
(Credit)/charge to equity	-	-	(105)	756	651
At 31 December 2021	39	-	-	(346)	(307)

Deferred tax assets and liabilities have been offset where they are expected to reverse in the same time period and relate to the same tax authorities.

The following is an analysis of the deferred tax balances for financial reporting purposes:

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Deferred tax liabilities	-	-	39	-
Deferred tax assets	(373)	(1,307)	(346)	(1,017)
	<u>(373)</u>	<u>(1,307)</u>	<u>(307)</u>	<u>(1,017)</u>

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

13. FIXED ASSET INVESTMENTS

	Group Fixed asset investments £'000	Company Shares in subsidiary undertakings £'000
VALUATION		
At 19 December 2020	50	12,385
Acquisitions	-	272
At 31 December 2021	<u>50</u>	<u>12,657</u>
PROVISION		
At 19 December 2020	50	2,960
Impairment		
At 31 December 2021	<u>50</u>	<u>2,960</u>
CARRYING AMOUNT		
At 31 December 2021	<u>-</u>	<u>9,697</u>
At 19 December 2020	<u>-</u>	<u>9,425</u>

The Company had direct or indirect* investments in the following subsidiary undertakings at 31 December 2021.

Name	Country of incorporation	Registered Number	Class of shares held	Percentage of shares held %	Nature of business
Rossendale Transport Limited	England and Wales	02004970	Ordinary	100	Bus operator
Keighley & District Travel Limited	England and Wales	02113404	Ordinary	100*	Bus operator
Harrogate & District Travel Limited	England and Wales	02327319	Ordinary	100*	Bus operator
Yorkshire Coastliner Limited	England and Wales	02436687	Ordinary	100*	Bus operator
Lancashire United Limited	England and Wales	02546070	Ordinary	100*	Bus operator
Burnley & Pendle Travel Limited	England and Wales	01777430	Ordinary	100	Bus operator
Transdev York Limited	England and Wales	04412164	Ordinary	100	Dormant
Transdev Claims Investigations Limited	England and Wales	02207113	Ordinary	100*	Dormant
Blaze field Travel Group Limited	England and Wales	02188825	Ordinary	100	Holding company

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

13. FIXED ASSET INVESTMENTS (Continued)

Name	Country of incorporation	Registered Number	Class of shares held	Percentage of shares held %	Nature of business
Blaze field Buses Limited	England and Wales	02582503	Ordinary	100*	Holding company
Transdev Northern Blue Limited	England and Wales	03808360	Ordinary	100	Dormant
Heathrow Coach Services Limited	England and Wales	02230663	Ordinary	100	Dormant
Blackburn with Darwen Transport Limited	England and Wales	04324049	Ordinary	100	Dormant
Lancashire County Transport Limited	England and Wales	04300098	Ordinary	100	Dormant
Team Pennine Limited	England & Wales	13274240	Ordinary	100	Bus Operator

The registered office for all 15 subsidiaries is Prospect Park, Broughton Way, Harrogate, HG2 7NY.

As a parent Company established under the law of the UK (an EEA state), for the period ending 31 December 2021, Transdev Blaze field Limited took advantage of the exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies for all its non-dormant subsidiaries included in the consolidated financial statements.

Transdev Blaze field Limited guarantees all the above subsidiaries under section 479C of the Companies Act 2006 in respect of the financial period ended 31 December 2021.

14. INVENTORIES

	2021 £'000	2020 £'000
Materials	914	473
Fuel	457	223
	<u>1,371</u>	<u>696</u>

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

15. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade receivables	8,454	2,061	2,745	690
Other receivables	1,904	1,259	-	213
Prepayments and accrued income	6,107	11,181	800	191
Tax recoverable	272	-	2,663	2,663
Amounts owed by Group undertakings	240	-	3,481	-
	<u>16,977</u>	<u>14,501</u>	<u>9,689</u>	<u>3,757</u>

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

Credit Risk

The Group's principal financial assets are bank balances and cash and trade and other receivables. Trade and other receivables mainly comprise monies owed from Government bodies. As such the Directors consider that expected credit losses are not material to these financial statements.

16. CASH AND CASH EQUIVALENTS

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Cash at bank and in hand	6,153	4,064	-	998
Bank overdraft	-	-	(382)	-
	<u>6,153</u>	<u>4,064</u>	<u>(382)</u>	<u>998</u>
			2021	2020
			£'000	£'000

The weighted average interest rate received was as follows

0.25% 0.25%

Bank overdrafts are secured by fixed and floating charges over the assets of Group companies incorporating an unlimited intercompany composite guarantee between Group companies, debentures by all Group companies and first legal charges over Group freehold properties. The Group is included in the cross guarantees in respect of the funding facilities from RBS held by the parent Company on behalf of the group.

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

17. TRADE AND OTHER PAYABLES DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£'000	(Restated) £'000	£'000	(Restated) £'000
Trade payables	4,111	2,426	3,578	2,025
Other taxation and social security	576	1,192	20	100
Accruals and deferred income	8,701	6,853	2,065	1,018
Other payables	3,829	2,472	2,885	1,669
Holiday pay	663	670	-	-
Amounts owed to group undertakings	-	-	136	-
	<u>17,880</u>	<u>13,613</u>	<u>8,684</u>	<u>4,812</u>

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 18 days (2020: 21 days).

The Directors consider the carrying amount of trade payables approximates to their fair value.

18. NON CURRENT LIABILITIES: OTHER PAYABLES

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Amounts owed to parent undertaking	4,165	237	4,165	237
Amounts owed to group undertakings	-	-	14,839	16,477
	<u>4,165</u>	<u>237</u>	<u>19,004</u>	<u>16,714</u>

19. PROVISION FOR LIABILITIES & CHARGES

	Group Thirds party Accidents £'000	Company Thirds Party Accidents £'000
At 21 December 2019	<u>1,381</u>	<u>1,381</u>
Credit to the income statement	(417)	(417)
At 19 December 2020	<u>964</u>	<u>964</u>
Charged to the income statement	419	419
At 31 December 2021	<u>1,383</u>	<u>1,383</u>

Third Party Accidents

Provision is made for claims against the Company to the extent that they are not covered by insurance policies. Claims are expected to be settled within one year except where there is extended litigation.

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

20. IFRS16 LEASE LIABILITY

	Group		Company	
	2021	2020	2021	2020
	£'000	(Restated)	£'000	(Restated)
		£'000		£'000
IFRS16 lease liability - current	4,626	3,991	3,833	3,991
IFRS 16 lease liability – non-current	14,704	11,942	14,393	11,425
	<u>19,330</u>	<u>15,933</u>	<u>18,226</u>	<u>15,416</u>

21. PENSIONS

Group and Company

The Group operates two pension schemes providing benefits based on final pensionable salary. Both these defined benefit schemes were effectively closed at 31 December 2010 with the majority of members joining the existing defined contribution scheme.

The current deficits on the two defined benefit pension schemes are:

	2021	2020
	£'000	£'000
BlazeField Holdings Limited Pension Plan	(1,405)	(6,509)
BlazeField (2001) Pension Scheme	20	(1,197)
	<u>(1,385)</u>	<u>(7,706)</u>

(a) BlazeField Holdings Limited Pension Plan

The Group operated a defined benefit pension scheme for all qualifying employees, with the assets of the scheme held separately from the Group. The scheme is subject to triennial actuarial valuations by an independent qualified actuary, the last valuation was carried out on 21 December 2019. The principal assumptions used by the actuary were:

	2021	2020
	%	%
Discount rate / Expected return on scheme assets	2.00	1.40
Expected rate of salary increases	N/A	N/A
Future pension increases (RPI)	3.50	3.00
Future pension increases (CPI)	2.60	2.00

As the scheme was closed before the start of this financial period and all members transferred to a defined contribution pension scheme, there will be no further expected salary increases as there are no active members.

	2021	2020
	£'000	£'000
Net interest cost	<u>86</u>	<u>92</u>

The actual gain on scheme assets was £1.6m (2020: £4.3m gain).

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

21. PENSIONS (Continued)

The amount included in the balance sheet arising from the group's obligations in respect of its defined benefit retirement benefit scheme is as follows:

	2021	2020
	£'000	£'000
Present value of defined benefit obligations	(44,269)	(48,099)
Fair value of scheme assets	42,864	41,590
Deficit in scheme recognised in the balance sheet	<u>(1,405)</u>	<u>(6,509)</u>

Movements in the present value of defined benefit obligations were as follows:

The above deficit includes a cumulative amount of £11.8m actuarial losses recognised in the statement of comprehensive income (2020: £7.4m).

	2021	2020
	£'000	£'000
At beginning of the period	48,099	43,201
Interest cost	662	847
Actuarial (gains)/losses	(2,827)	5,768
Member contributions, net of benefit paid	<u>(1,665)</u>	<u>(1,717)</u>
At end of the period	<u>44,269</u>	<u>48,099</u>

Movements in the fair value of scheme assets were as follows:

	2021	2020
	£'000	£'000
At beginning of the period	41,590	38,216
Expected return on scheme assets	576	755
Actuarial gains	1,584	3,583
Employer contributions	779	753
Member contributions, net of benefit paid	<u>(1,665)</u>	<u>(1,717)</u>
At end of the period	<u>42,864</u>	<u>41,590</u>

The analysis of the fair value of the scheme assets at the balance sheet date was as follows:

	2021	2020
	£'000	£'000
Equity instruments	21,295	17,806
Debt instruments	8,632	9,682
Property	850	850
Cash/other assets	<u>12,087</u>	<u>13,252</u>
At end of the period	<u>42,864</u>	<u>41,590</u>

The sensitivity of the present value of defined benefit obligations is as follows:

Base Scenario	Discount Rate (+0.5%)	Discount Rate (-0.5%)	Inflation Rate (+0.5%)	Inflation Rate (-0.5%)
44,269	41,085	47,723	45,963	42,643

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

21. PENSIONS (Continued)

The duration of the accrued liabilities are estimated as 15 years.

The five year history of experience adjustments is as follows:

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Present value of defined benefit obligations	(44,269)	(48,099)	(43,201)	(42,697)	(46,137)
Fair value of scheme assets	42,864	41,590	38,216	33,559	37,049
Deficit in the scheme	<u>(1,405)</u>	<u>(6,509)</u>	<u>(4,985)</u>	<u>(9,138)</u>	<u>(9,088)</u>
Experience adjustments on scheme liabilities					
Amount (£'000)	-	1,050	1,701	118	79
Percentage of scheme liabilities (%)	0.0%	2.2%	3.9%	0.3%	0%
Experience adjustments on scheme assets					
Amount (£'000)	1,584	3,583	4,802	(2,484)	1,533
Percentage of scheme assets (%)	3.7%	8.6%	12.6%	(7.4%)	4%

The estimated amounts of contributions expected to be paid to the scheme for the period ending 31 December 2022 is £807k (2021: £781k).

(b) Blaze field (2001) Pension Scheme

The Group operated a defined benefit pension scheme for all qualifying employees, with the assets of the scheme held separately from the Group. The scheme is subject to triennial actuarial valuations by an independent qualified actuary, the last valuation is being carried out on 31 December 2015. The actuarial valuation of the scheme was updated to 31 December 2021 by a qualified actuary. The principal assumptions used by the actuary were:

	2021 %	2020 %
Discount rate / Expected return on scheme assets	2.00	1.40
Expected rate of salary increases	N/A	N/A
Future pension increases (RPI)	3.50	3.00
Future pension increases (CPI)	2.60	2.00

As the scheme was closed before the start of this financial period and all members transferred to a defined contribution pension scheme, there will be no further expected salary increases as there are no active members

	2021 £'000	2020 £'000
Net interest cost	<u>16</u>	<u>24</u>

The actual gain on scheme assets was £1.1m (2020: £1.0m).

The amount included in the balance sheet arising from the Group's obligations in respect of its defined benefit retirement benefit scheme is as follows:

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

21. PENSIONS (Continued)

	2021 £'000	2020 £'000
Present value of defined benefit obligations	(13,068)	(13,093)
Fair value of scheme assets	13,088	11,896
Surplus/(eficit) in scheme recognised in the balance sheet	<u>20</u>	<u>(1,197)</u>

The above deficit includes a cumulative amount of £2.4m actuarial losses recognised in the statement of comprehensive income and expense (2020: £1.4m).

Movements in the present value of defined benefit obligations were as follows:

	2021 £'000	2020 £'000
At beginning of the period	13,093	12,263
Interest cost	182	243
Actuarial losses	31	869
Member contributions, net of benefit paid	(238)	(282)
At end of the period	<u>13,068</u>	<u>13,093</u>

Movements in the fair value of scheme assets were as follows:

	2021 £'000	2020 £'000
At beginning of the period	11,896	10,965
Expected return on scheme assets	166	219
Actuarial gains	1,080	816
Employer contributions	184	178
Member contributions, net of benefit paid	(238)	(282)
At end of the period	<u>13,088</u>	<u>11,896</u>

The analysis of the fair value of the scheme assets at the balance sheet date was as follows:

	2021 £'000	2020 £'000
Equity instruments	7,800	6,447
Debt instruments	1,056	1,261
Cash/other assets	4,232	4,188
At end of the period	<u>13,088</u>	<u>11,896</u>

The sensitivity of the present value of defined benefit obligations is as follows:

Base Scenario	Discount Rate (+0.5%)	Discount Rate (-0.5%)	Inflation Rate (+0.5%)	Inflation Rate (-0.5%)
13,068	11,844	14,426	14,284	11,961

The average duration of the accrued liabilities are estimated as 20 years.

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

21. PENSIONS (Continued)

The five year history of experience adjustments is as follows:

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Present value of defined benefit obligations	(13,068)	(13,093)	(12,263)	(11,817)	(13,693)
Fair value of scheme assets	13,088	11,896	10,956	9,632	11,149
Surplus/(deficit) in the scheme	<u>20</u>	<u>(1,197)</u>	<u>(1,307)</u>	<u>(2,185)</u>	<u>(2,544)</u>
Experience adjustments on scheme liabilities					
Amount (£'000)	-	(170)	1,213	(766)	(34)
Percentage of scheme liabilities (%)	0%	1.3%	(9.9%)	6.5%	0.3%
Experience adjustments on scheme assets					
Amount (£'000)	1,080	816	523	28	511
Percentage of scheme assets (%)	8.3%	6.9%	4.8%	0.3%	5%

The estimated amounts of contributions expected to be paid to the scheme for the period ending 31 December 2022 is £64k (2021: £185k).

(c) Defined Contribution Pension Scheme

The group also operates a defined contribution pension scheme. The charge to the income statement for pension contributions to this scheme in the period was £849k (2020: £849k). Included in group and Company other creditors is £70k (2020: £70k) in respect of unpaid contributions.

22. CALLED UP SHARE CAPITAL

	Number of shares	£'000 £'000
Authorised share capital		
Ordinary shares of £1 each at 31 December 2021 & at 19 December 2020	<u>11,803,000</u>	<u>11,803</u>
Issued share capital		
Called up, allotted and fully paid ordinary shares of £1 each as at 31 December 2021 & at 19 December 2020	<u>11,803,000</u>	<u>11803</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

23. ACQUISITION OF SUBSIDIARY

On 25 July 2021 the Group acquired 100% of the issued share capital of Team Pennine Limited an operator of scheduled bus services in West Yorkshire. The amounts recognised in respect of identifiable assets acquired and liabilities assumed are set out in the table below:

	Fair Value £'000
Property, Plant & Equipment	1,227
Goodwill	273
Total consideration	<u>1,500</u>
	63
Satisfied by:	
Cash	<u>1,500</u>

The goodwill of £0.3m arising on acquisition consist of the workplace value and synergies giving rise to future economic benefit. This has been recognised as part of Goodwill on the Consolidated Balance Sheet.

There was no uplift in carrying values of the assets as a result of fair value adjustments.

The acquisition of Team Pennine contributed £2.1m of revenue and £0.2m loss before tax for the period since acquisition.

24. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in FRS 101 from the requirements of IAS 24 paragraph 18, disclosing related party transactions entered into between two or more members of a group provided that any subsidiary which is a party to a transaction is a wholly owned member.

The Company has also taken advantage of the exemption in FRS 101 from the requirements of IAS 24 paragraph 17, disclosing key management personnel compensation in total and for each of the following categories:

- Short-term employee benefits;
- Post-employment benefits;
- Other long-term benefits;
- Termination benefits; and
- Share-based payments.

25. PARENT UNDERTAKING

Transdev plc is the immediate parent undertaking. The ultimate parent undertakings is Caisse des Dépôts et Consignations, a French public sector financial institution.

The consolidated financial statements of Caisse des Dépôts et Consignations are available at 56 Rue de Lille, 75 356 Paris.

The parent undertaking of the smallest group of undertakings for which consolidated financial statements are drawn up and of which the Company is a member is Transdev SA, a Company registered in France.

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

26. FINANCIAL INSTRUMENTS

Financial risk management objectives

The Group's activities expose it to certain financial risks. These include price risk related primarily to interest rate risk. The Group is not significantly exposed to foreign exchange risk, credit risk or other cash flow risk. Management reviews financial risks regularly in accordance with Group policies. The Group currently uses a limited number of financial instruments to manage certain risks but does not hold financial instruments for speculative reasons.

Categories of financial instruments

	Carrying value 2021 £'000	Carrying value 2020 (Restated) £'000
Financial assets at amortised cost		
Cash	6,153	4,064
Trade and other receivables	10,358	3,320
	<u>16,511</u>	<u>7,384</u>
Financial liabilities at amortised cost		
Lease liability	19,330	15,933
Trade and other payables	7,940	4,898
	<u>27,270</u>	<u>20,831</u>

There is no material difference between the carrying value and fair value of the financial instruments in 2021 or 2020.

Credit Risk

The Group's principal financial assets are bank balances and cash and trade and other receivables, the balance at 31 December 2021 and 19 December 2020 represents the Group's maximum exposure to credit risk. The bank balances are held with a small number of financial institutions, the Group mitigates this concentration by only using high quality financial institutions.

Liquidity Risk

The trade receivables balance primarily represents the amounts owing from local government transport organisations. These sums are contractually agreed and are received according to the terms of the individual contracts. Therefore, there is no significant credit risk exposure or any significant payment delay beyond contractual terms.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structures of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the statement of changes in equity.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2021 based on contracted undiscounted payments

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

26. FINANCIAL INSTRUMENTS (continued)

	On demand £'000	< 3 months £'000	3 – 12 months £'000	1 – 5 years £'000	Total £'000
2021					
Trade and other payables	-	2,8546	5,086	-	7,940
Lease liability	-	1,157	3,470	14,703	19,330
	-	4,011	8,556	14,703	27,270

	On demand £'000	< 3 months £'000	3 – 12 months £'000	1 – 5 years £'000	Total £'000
2020					
Trade and other payables	-	4,898	-	-	4,898
Lease liability	-	1,117	2,812	12,004	15,933
	-	6,015	2,812	12,004	20,831

The table below summarises the maturity profile of the Company's financial liabilities at 31 December 2021 based on contracted undiscounted payments

	On demand £'000	< 3 months £'000	3 – 12 months £'000	1 – 5 years £'000	Total £'000
2021					
Trade and other payables	-	2,906	3,557	-	6,463
Lease liability	-	958	2,875	14,393	18,226
	-	3,864	6,432	14,393	24,689

	On demand £'000	< 3 months £'000	3 – 12 months £'000	1 – 5 years £'000	Total £'000
2020					
Trade and other payables	-	3,694	-	-	3,694
Lease liability	-	1,117	2,812	11,487	15,416
	-	4,811	2,812	11,487	19,110

Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from default. The Group's exposure to the credit ratings of its counterparties is continuously monitored and credit exposure is controlled by counterparty limited that are reviewed and approved regularly.

Trade receivables consists of mainly local governments and education institutions which have a long history of credit worthiness and a low level of default. The financial resources of these entities lead the Directors to conclude that the Group does not have any significant credit risk exposure to any counterparty or any group of counterparties.

The credit risk on liquid funds is limited as the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of the financial assets recoded in the financial statements represent the Group's maximum exposure to the credit risk as no collateral or other credit enhancements are held.

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

27 CONTINGENT LIABILITIES

The Company and Group is part of a group registration scheme for VAT and is jointly and severally liable for Transdev Plc's group VAT liability. At 31 December 2021 this amounted to £Nil (2020: £Nil).

Bank debentures granted by the Company and Group include a fixed equitable charge over all present and future freehold and leasehold property; a first fixed charge over, amongst other things, book and other debts, chattels, and goodwill, both present and future; and first floating charges over all assets and undertakings both present and future.

The Company and Group is part of a Group bank facility. At 31 December 2021 total net borrowing under this facility amounted to £1.9m (2020: £1.9m).

28 PRIOR PERIOD ADJUSTMENTS

In 2020 deferred capital grants were disclosed net rather than gross. This results in an increase in net current assets of £1.8m and decrease in total assets of £1.8m. This does not impact the Group's loss for the period.

In 2021 a number of Right of Use vehicle asset additions were identified as being purchased in 2020. This requires an adjustment of £2.6m to Right of Use assets offset by a corresponding increase in lease liabilities.

The impact on the P&L is £132k being the depreciation and interest costs relating to these assets that should have been charged in 2020.

<u>Group Balance Sheet</u>	As Previously Reported £'000	Grant Adjustment £'000	RoU Additions £'000	As Restated £'000
Non-current assets				
Property, plant & equipment	10,963	(1,790)	-	9,173
Right of Use Assets	13,707	-	2,570	16,277
	<u>24,670</u>	<u>(1,790)</u>	<u>2,570</u>	<u>25,450</u>
Current liabilities				
Trade and other payables	(15,403)	1,790	-	(13,613)
Lease liabilities - current	(3,929)	-	(62)	(3,991)
	<u>(19,332)</u>	<u>1,790</u>	<u>(62)</u>	<u>(17,604)</u>
Non-Current Liability				
Lease liabilities - term	(9,302)	-	(2,640)	(11,942)
Equity				
Reserves	(2,400)	-	(132)	(2,532)
<u>Group Profit and Loss</u>				
Revenue	55,321	-	-	55,321
Cost of Sales	(55,651)	-	(70)	(55,691)
Exceptional costs	(22)	-	-	(22)
Finance Costs	(603)	-	(62)	(665)
Tax	70	-	-	70
Loss for the period	<u>(855)</u>	<u>-</u>	<u>(132)</u>	<u>(987)</u>

TRANSDEV BLAZEFIELD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

28 PRIOR PERIOD ADJUSTMENTS (Continued)

In 2020 deferred capital grants were disclosed net rather than gross. This results in an increase in net current assets of £1.8m and decrease in total assets of £1.8m. This does not impact the Group's loss for the period.

In 2020 a value of Right of Use assets were incorrectly attributed to the Company that in fact were owned by Rossendale. This requires an adjustment to the Right of Use assets of £0.5m and an increase to lease liabilities of the same. There is no impact of the P&L and this adjustment does not impact the reported Group figures as Rossendale is included in the Group figures.

In 2021 a number of Right of Use vehicle asset additions were identified as being purchased in 2020. This requires an adjustment of £2.6m to Right of Use assets offset by a corresponding increase in lease liabilities.

The impact on the P&L is £132k being the depreciation and interest costs relating to these assets that should have been charged in 2020.

Company Balance Sheet

	As Previously Reported £'000	Grant Adjustment £'000	Rosso RoU Reclass £'000	RoU Additions £'000	As Restated £'000
Non-current assets					
Property, plant & equipment	7,743	(1,790)	-	-	5,953
Right of Use assets	13,707	-	(517)	2,570	15,760
	<u>21,450</u>	<u>(1,790)</u>	<u>(517)</u>	<u>2,570</u>	<u>21,713</u>
Current liabilities					
Trade and other payables	(6,602)	1,790	-	-	4,812
Lease Liabilities	(3,929)	-	-	62	3,991
	<u>(10,531)</u>	<u>(1,790)</u>	<u>-</u>	<u>62</u>	<u>8,803</u>
Non-current liabilities					
Lease liabilities	(9,302)	-	517	(2,640)	(11,425)
Equity					
Reserves	(20,373)	-	-	(132)	(20,505)
<u>Company Profit and Loss</u>					
Revenue	17,552	-	-	-	17,552
Cost of Sales	(24,341)	-	-	(70)	(24,411)
Exceptional items	(22)	-	-	-	(22)
Finance costs	(603)	-	-	(60)	(665)
Tax	-	-	-	-	-
Loss for the period	<u>(7,414)</u>	<u>-</u>	<u>-</u>	<u>(132)</u>	<u>(7,546)</u>