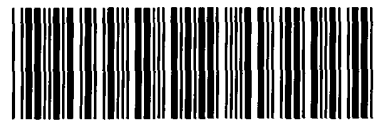


PEGASUS EXPRESS LIMITED
UNAUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018
PAGES FOR FILING WITH REGISTRAR

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PEGASUS EXPRESS LIMITED

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PEGASUS EXPRESS LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3		350,688		387,725
Current assets					
Stocks		6,681		5,392	
Debtors falling due after more than one year	4	-		4,192	
Debtors falling due within one year	4	1,988,100		1,638,957	
Cash at bank and in hand		26,378		34,454	
		<u>2,021,159</u>		<u>1,682,995</u>	
Creditors: amounts falling due within one year	5	<u>(1,441,310)</u>		<u>(1,243,194)</u>	
Net current assets			<u>579,849</u>		<u>439,801</u>
Total assets less current liabilities			<u>930,537</u>		<u>827,526</u>
Provisions for liabilities	6		<u>(13,818)</u>		<u>(17,803)</u>
Net assets			<u><u>916,719</u></u>		<u><u>809,723</u></u>
Capital and reserves					
Called up share capital	7		864,519		864,519
Profit and loss reserves			52,200		(54,796)
Total equity			<u><u>916,719</u></u>		<u><u>809,723</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

PEGASUS EXPRESS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 OCTOBER 2018

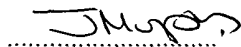
For the financial year ended 31 October 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 25/2/18..... and are signed on its behalf by:



Ms J Murphy
Director

Company Registration No. SC148046

PEGASUS EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2018

1 Accounting policies

Company information

Pegasus Express Limited is a private company limited by shares incorporated and domiciled in Scotland. The registered office is 160 West George Street, GLASGOW, Lanarkshire, G2 2HQ. The principal place of business is Souter Head Road, Aberdeen, AB12 3LF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound (£).

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. The company recognises revenue to the extent that it has obtained the right to consideration through its performance by the collection and transportation of goods and services.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Land and Buildings Freehold	25 years
Leasehold improvements	the shorter of 10 years or the length of the lease
Plant and machinery	5 years
Fixtures, fittings and computer equipment	5 years
Motor vehicles	6 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

PEGASUS EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and held with banks.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

PEGASUS EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

1 Accounting policies

(Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to expenditure on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

PEGASUS EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 63 (2017 - 67).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 November 2017	381,005	178,791	559,796
Additions	1,100	12,316	13,416
At 31 October 2018	382,105	191,107	573,212
Depreciation			
At 1 November 2017	73,824	98,247	172,071
Depreciation charged in the year	22,053	28,400	50,453
At 31 October 2018	95,877	126,647	222,524
Carrying amount			
At 31 October 2018	286,228	64,460	350,688
At 31 October 2017	307,181	80,544	387,725

4 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	1,819,036	1,372,994
Amounts due from parent undertakings	89,375	149,891
Other debtors	20,940	1,710
Prepayments and accrued income	58,749	114,362
	1,988,100	1,638,957
Amounts falling due after more than one year:		
Prepayments and accrued income	-	4,192
Total debtors	1,988,100	1,643,149

Amounts due from parent undertakings are interest free and repayable on demand.

PEGASUS EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

5 Creditors: amounts falling due within one year

	2018 £	2017 £
Amounts owed to invoice financing	-	131,525
Trade creditors	740,563	500,351
Corporation tax	51,260	30,979
Other taxation and social security	366,232	201,407
Other creditors	3,692	13,908
Accruals and deferred income	279,563	365,024
	<u>1,441,310</u>	<u>1,243,194</u>

The bank hold a floating charge over the assets of the company.

6 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2018 £	Liabilities 2017 £
Balances:		
Accelerated capital allowances	<u>13,818</u>	<u>17,803</u>
Movements in the year:		2018 £
Liability at 1 November 2017		17,803
Credit to profit or loss		(3,985)
Liability at 31 October 2018		<u>13,818</u>

7 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
864,519 Ordinary shares of £1 each	<u>864,519</u>	<u>864,519</u>
	<u>864,519</u>	<u>864,519</u>

PEGASUS EXPRESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2018	2017
£	£
1,081,956	915,667

9 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2018	2017	2018	2017
	£	£	£	£
Other related parties	2,132	2,536	782,031	496,696

The following amounts were outstanding at the reporting end date:

Amounts owed by related parties	2018	2017
	£	£
	6,342	225,745

During the year, the company incurred consultancy charges from a shareholder of £24,000 (2017 - £24,000). At the year end, the balance due to the shareholder was £2,000 (2017 - £2,000).

During the year, the company incurred rental charges from a shareholder of £30,000 (2017 - £35,580). At the year end, the balance due to the shareholder was nil (2017 - £11,580).

10 Parent company

The ultimate parent company of Pegasus Express Limited is Ecosse Transport Logistics Limited, a company registered in Scotland. Ecosse Transport Logistics Limited is controlled by the directors.