

**PEGASUS EXPRESS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2021**  
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**PEGASUS EXPRESS LIMITED**  
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**FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2021**

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**PEGASUS EXPRESS LIMITED**  
**BALANCE SHEET**  
**AS AT 31 OCTOBER 2021**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	4	288,337	298,568
Investments	5	50,000	50,000
		<b>338,337</b>	<b>348,568</b>
<b>Current assets</b>			
Stocks		5,901	5,219
Debtors			
- due within one year	6	1,600,751	1,663,353
- due after more than one year	6	45,097	43,572
Cash at bank and in hand		60,652	297,817
		<b>1,712,401</b>	<b>2,009,961</b>
<b>Creditors</b>			
Amounts falling due within one year	7	( 1,094,250)	( 1,316,177)
<b>Net current assets</b>		<b>618,151</b>	<b>693,784</b>
<b>Total assets less current liabilities</b>		<b>956,488</b>	<b>1,042,352</b>
Provisions for liabilities	8	( 17,187)	( 13,038)
<b>Net assets</b>		<b>939,301</b>	<b>1,029,314</b>
<b>Capital and reserves</b>			
Called-up share capital	9	864,519	864,519
Profit and loss account		74,782	164,795
<b>Total shareholder's funds</b>		<b>939,301</b>	<b>1,029,314</b>

**PEGASUS EXPRESS LIMITED**  
**BALANCE SHEET (CONTINUED)**  
**AS AT 31 OCTOBER 2021**

For the financial year ending 31 October 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- 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; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Pegasus Express Limited (registered number: SC148046) were approved and authorised for issue by the Director on 14 June 2022. They were signed on its behalf by:

Ms J Murphy  
Director

**PEGASUS EXPRESS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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## **1. Accounting policies**

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

### **General information and basis of accounting**

Pegasus Express Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The address of the Company's registered office is 160 West George Street, Glasgow, G2 2HQ, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

### **Going concern**

The company has recorded a loss for the year, which is in line with the Directors' expectation, given the challenging trading conditions in the market and the impact of COVID-19. At the balance sheet date, the company has net assets of £939,301 and since the balance sheet end the business is trading on a break-even basis, while managing the impact of increased fuel costs and driver shortages.

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. In reaching this conclusion, the Directors have considered sensitised trading and cashflow forecasts for a period of 12 months from the date of approval of these financial statements and are satisfied that the business will have sufficient cash to meet its liabilities as they fall due for a period of at least 12 months from the date of these accounts. Accordingly, the financial statements have been prepared on a going concern basis.

### **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.

### **Employee benefits**

#### *Short term 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.

#### *Defined contribution schemes*

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

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**Taxation**

*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.

**Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Land and buildings	25 years straight line
Leasehold improvements	10 years straight line
Plant and machinery	5 years straight line
Vehicles	6 years straight line
Fixtures and fittings	5 years straight line

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.

**Leases**

*The Company as lessee*

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.

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.

**Impairment of 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).

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.

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**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.

**Cash and cash equivalents**

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

**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.

*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.

*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.

**Government grants**

Government grants in respect of coronavirus job retention scheme payments, are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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**2. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the directors are required to make judgements that have a significant impact on the amounts recognised. The following are the critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Carrying Value of Fixed Assets

Recoverability of Amounts Due from Parent Undertaking

**3. Employees**

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Monthly average number of persons employed by the Company during the year, including directors	54	56

**4. Tangible assets**

	<b>Land and buildings</b>	<b>Leasehold improve- ments</b>	<b>Plant and machinery</b>	<b>Vehicles</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>						
At 01 November 2020	296,585	46,173	15,667	9,610	125,425	493,460
Additions	0	0	1,190	0	16,011	17,201
Disposals	0	( 12,470)	( 1,295)	0	( 8,020)	( 21,785)
<b>At 31 October 2021</b>	<b>296,585</b>	<b>33,703</b>	<b>15,562</b>	<b>9,610</b>	<b>133,416</b>	<b>488,876</b>
<b>Accumulated depreciation</b>						
At 01 November 2020	44,381	40,486	8,230	9,610	92,185	194,892
Charge for the financial year	6,864	3,767	2,592	0	14,209	27,432
Disposals	0	( 12,470)	( 1,295)	0	( 8,020)	( 21,785)
<b>At 31 October 2021</b>	<b>51,245</b>	<b>31,783</b>	<b>9,527</b>	<b>9,610</b>	<b>98,374</b>	<b>200,539</b>
<b>Net book value</b>						
<b>At 31 October 2021</b>	<b>245,340</b>	<b>1,920</b>	<b>6,035</b>	<b>0</b>	<b>35,042</b>	<b>288,337</b>
At 31 October 2020	252,204	5,687	7,437	0	33,240	298,568



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**5. Fixed asset investments**

	<b>Other investments</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Carrying value before impairment</b>		
At 01 November 2020	50,000	50,000
<b>At 31 October 2021</b>	<b>50,000</b>	<b>50,000</b>
<b>Provisions for impairment</b>		
At 01 November 2020	0	0
<b>At 31 October 2021</b>	<b>0</b>	<b>0</b>
<b>Carrying value at 31 October 2021</b>	<b>50,000</b>	<b>50,000</b>
Carrying value at 31 October 2020	50,000	50,000

**Investments in shares**

<b>Name of entity</b>	<b>Registered office</b>	<b>Nature of business</b>	<b>Class of shares</b>	<b>Ownership 31.10.2021</b>	<b>Ownership 31.10.2020</b>
Pall-ex Investments Limited	England	Holding Company	Network Member Shares	1.00%	1.00%

**6. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Debtors: amounts falling due within one year</b>		
Trade debtors	1,283,278	1,367,058
Amounts owed by Parent undertakings	150,375	150,375
Prepayments	150,731	144,937
Corporation tax	15,166	0
Other debtors	1,201	983
	<b>1,600,751</b>	<b>1,663,353</b>
<b>Debtors: amounts falling due after more than one year</b>		
Other debtors	45,097	43,572

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

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**7. Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	0	50,000
Trade creditors	641,239	674,009
Other creditors	155,286	59,842
Accruals	143,453	245,462
Corporation tax	0	22,564
Other taxation and social security	154,272	264,300
	<b>1,094,250</b>	<b>1,316,177</b>

Other Creditors include a balance of £147,849 which is due to invoice finance, which is secured over the related debtors.

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

**8. Deferred tax**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
At the beginning of financial year	( 13,038)	( 11,742)
Charged to the Statement of Income and Retained Earnings	( 4,149)	( 1,296)
At the end of financial year	<b>( 17,187)</b>	<b>( 13,038)</b>

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

**9. Called-up share capital**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called-up and fully-paid</b>		
864,519 Ordinary shares of £ 1.00 each	864,519	864,519

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**10. Financial commitments**

**Commitments**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
- within one year	776,460	643,535
- between one and five years	230,280	448,666
	<b>1,006,740</b>	<b>1,092,201</b>

**11. Related party transactions**

**Other related party transactions**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Related Party Transactions- Sale of Goods	0	4,062
Related Party Transactions- Purchase of Goods	14,400	31,400
Amounts owed to related parties	1,000	0
Amounts due from parent undertakings	150,378	150,375

**12. Ultimate controlling party**

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.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.