

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2016
for
LOCHS AND GLENS (TRANSPORT) LIMITED**

SATURDAY



S5L1U2RL

SCT

03/12/2016

#305

COMPANIES HOUSE

LOCHS AND GLENS (TRANSPORT) LIMITED

Contents of the Financial Statements for the Year Ended 31 March 2016

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Cash Flow Statement	10
Notes to the Cash Flow Statement	11
Notes to the Financial Statements	12

LOCHS AND GLENS (TRANSPORT) LIMITED

Company Information for the Year Ended 31 March 2016

Directors:

N Wells
I Wells
Mrs S Wells
Mrs M Wells

Secretary:

N Wells

Registered office:

School Road
Gartocharn
Alexandria
Dunbartonshire
G83 8RW

Registered number:

SC161833 (Scotland)

Auditors:

James Anderson & Co
Chartered Accountants
Pentland Estate
Straiton
Edinburgh
EH20 9QH

LOCHS AND GLENS (TRANSPORT) LIMITED

Strategic Report for the Year Ended 31 March 2016

The directors present their strategic report for the year ended 31 March 2016.

Review of business

The principal activity of the company during the year was a supplier of tour transport.

The company experienced another busy trading year with activity levels maintained. The small drop in turnover relates to pricing.

The company continues to invest in maintaining a modern coach fleet. The directors have reviewed the value of the fleet at the year end and adjusted the depreciation policy to reflect a shortened replacement cycle. This resulted in an increased coach depreciation charge of £429,178 (2015 - £284,421). There was a loss on disposal of coaches in the year of £144,604 (2015 - gain £24,700 and as a result of the impairment review a further £79,371 was written down. This contributed to the reduction in gross profit.

The overall loss for the financial year was £141,203 (2015 - profit £364,925).

The directors consider the performance of the business during the year to be satisfactory.

Key performance indicators

Turnover in the year was £7,430,641 (2015 £7,586,234).

Gross profit in the year was £2,449,641 (2015 £3,100,705).

Principal risks and uncertainties

The company faces a number of business risks and uncertainties.

Transport is provided to the tour operator MF Wells (Hotels) Ltd. The company is therefore reliant on one customer but as they have common ownership and management this is considered to be a low risk.

The general economic environment is uncertain following the recent EU referendum and uncertainties continue to impact on demand in the tourism sector. However the company has continued to offer good value to its customers and has successfully maintained the level of business.

Future developments

The directors anticipate the business environment will remain competitive. The company is in a good financial position and the directors remain confident that the company can maintain its financial performance.

Financial instruments

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are only conducted in sterling. The company does not enter into any hedging transactions.

On behalf of the board:



N Wells - Secretary

15 November 2016

LOCHS AND GLENS (TRANSPORT) LIMITED

Report of the Directors for the Year Ended 31 March 2016

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

Dividends

No dividends will be distributed for the year ended 31 March 2016.

Directors

The directors shown below have held office during the whole of the period from 1 April 2015 to the date of this report.

N Wells
I Wells
Mrs S Wells
Mrs M Wells

Key management personnel

The directors consider that the Transport Manager and the Operations Manager comprise the Key Management Personnel of the company. Their remuneration for the year is disclosed in aggregate at Note 2 on page 13.

Disclosure in the strategic report

The company has chosen in accordance with s414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments and financial instruments.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

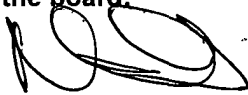
LOCHS AND GLENS (TRANSPORT) LIMITED

**Report of the Directors
for the Year Ended 31 March 2016**

Auditors

The auditors, James Anderson & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

A handwritten signature in black ink, appearing to be 'N Wells', written over a horizontal line.

N Wells - Secretary

15 November 2016

Report of the Independent Auditors to the Members of Lochs And Glens (Transport) Limited

We have audited the financial statements of Lochs And Glens (Transport) Limited for the year ended 31 March 2016 on pages seven to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Lochs And Glens (Transport) Limited**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Christopher Spalding (Senior Statutory Auditor)
for and on behalf of James Anderson & Co
Chartered Accountants
Pentland Estate
Straiton
Edinburgh
EH20 9QH

15 November 2016

LOCHS AND GLENS (TRANSPORT) LIMITED**Statement of Comprehensive Income
for the Year Ended 31 March 2016**

	Notes	2016 £	2015 £
Turnover		7,430,641	7,586,234
Cost of sales		(4,981,000)	(4,485,529)
Gross profit		2,449,641	3,100,705
Administrative expenses		(2,627,460)	(2,646,984)
Operating (loss)/profit and (Loss)/profit on ordinary activities before taxation	3	(177,819)	453,721
Tax on (loss)/profit on ordinary activities	4	36,616	(88,796)
(Loss)/profit for the financial year		(141,203)	364,925
Other comprehensive income		-	-
Total comprehensive income for the year		(141,203)	364,925

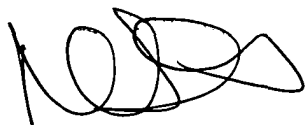
The notes form part of these financial statements

LOCHS AND GLENS (TRANSPORT) LIMITED (REGISTERED NUMBER: SC161833)

**Balance Sheet
31 March 2016**

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	6	3,561,989	3,593,702
Current assets			
Debtors	7	202,807	174,367
Cash at bank and in hand		69,113	351,436
		<u>271,920</u>	<u>525,803</u>
Creditors			
Amounts falling due within one year	8	(199,582)	(301,442)
Net current assets		<u>72,338</u>	<u>224,361</u>
Total assets less current liabilities		<u>3,634,327</u>	<u>3,818,063</u>
Provisions for liabilities	9	(440,142)	(482,675)
Net assets		<u><u>3,194,185</u></u>	<u><u>3,335,388</u></u>
Capital and reserves			
Called up share capital	10	8	8
Retained earnings	11	<u>3,194,177</u>	<u>3,335,380</u>
Shareholders' funds		<u><u>3,194,185</u></u>	<u><u>3,335,388</u></u>

The financial statements were approved by the Board of Directors on 15 November 2016 and were signed on its behalf by:



N Wells - Director

The notes form part of these financial statements

LOCHS AND GLENS (TRANSPORT) LIMITED**Statement of Changes in Equity
for the Year Ended 31 March 2016**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2014	8	2,970,455	2,970,463
Changes in equity			
Total comprehensive income	-	364,925	364,925
Balance at 31 March 2015	8	3,335,380	3,335,388
Changes in equity			
Total comprehensive income	-	(141,203)	(141,203)
Balance at 31 March 2016	8	3,194,177	3,194,185

The notes form part of these financial statements

LOCHS AND GLENS (TRANSPORT) LIMITED

Cash Flow Statement for the Year Ended 31 March 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	291,967	695,618
Tax paid		(29,661)	(29,081)
Net cash from operating activities		<u>262,306</u>	<u>666,537</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,641,000)	(1,345,249)
Sale of tangible fixed assets		1,096,371	769,969
Net cash from investing activities		<u>(544,629)</u>	<u>(575,280)</u>
(Decrease)/increase in cash and cash equivalents		<u>(282,323)</u>	<u>91,257</u>
Cash and cash equivalents at beginning of year	2	351,436	260,179
Cash and cash equivalents at end of year	2	<u><u>69,113</u></u>	<u><u>351,436</u></u>

The notes form part of these financial statements

LOCHS AND GLENS (TRANSPORT) LIMITED**Notes to the Cash Flow Statement
for the Year Ended 31 March 2016****1. Reconciliation of (loss)/profit before taxation to cash generated from operations**

	2016	2015
	£	£
(Loss)/profit before taxation	(177,819)	453,721
Depreciation charges	434,738	287,468
Loss/(profit) on disposal of fixed assets	144,604	(24,700)
	<u>401,523</u>	<u>716,489</u>
(Increase)/decrease in trade and other debtors	(31,440)	1,566
Decrease in trade and other creditors	(78,116)	(22,437)
	<u>291,967</u>	<u>695,618</u>
Cash generated from operations	<u><u>291,967</u></u>	<u><u>695,618</u></u>

2. Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2016

	31/3/16	1/4/15
	£	£
Cash and cash equivalents	<u>69,113</u>	<u>351,436</u>

Year ended 31 March 2015

	31/3/15	1/4/14
	£	£
Cash and cash equivalents	<u>351,436</u>	<u>260,179</u>

The notes form part of these financial statements

LOCHS AND GLENS (TRANSPORT) LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2016

1. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The company adopted FRS 102 in the current year. The transition has had no impact on the reported financial position and performance.

Significant judgements and estimates

In the application of the company's accounting policies, which are described below, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. 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 key source of estimation uncertainty that has a significant effect on the amounts recognised in the financial statements is the fair value of the company's coach fleet. A decision was made in the year to revise the basis of depreciation charge to 10% on cost. The company will continue to monitor the fair values of coaches going forward. Their carrying value as at 31 March 2016 was £3,541,761 (2015 - £3,567,914).

Turnover

Turnover comprises the consideration received or receivable for the provision of coach hire services and excludes Value Added Tax. Turnover is recognised when the company fulfills its obligations to its customers by supplying coach hire services.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures & equipment	15% on reducing balance
Motor vehicles	25% on reducing balance
Coaches	10% on cost

LOCHS AND GLENS (TRANSPORT) LIMITED

Notes to the Financial Statements - continued for the Year Ended 31 March 2016

1. Accounting policies - continued

Tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

2. Staff costs

	2016 £	2015 £
Wages and salaries	580,077	548,475
Social security costs	37,335	34,439
Other pension costs	1,192	253
	<u>618,604</u>	<u>583,167</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Drivers	41	42
Management	2	2
	<u>43</u>	<u>44</u>

Key management remuneration in the year totalled £60,361 (2015 - £58,495).

LOCHS AND GLENS (TRANSPORT) LIMITED

Notes to the Financial Statements - continued for the Year Ended 31 March 2016

3. Operating (loss)/profit

The operating loss (2015 - operating profit) is stated after charging / (crediting):

	2016 £	2015 £
Depreciation - owned assets	434,738	274,637
Impairment of coaches	79,371	-
Loss / (gain) on disposal of coaches	144,604	(24,700)
Auditors' remuneration	5,520	5,120
	<u> </u>	<u> </u>
Directors' remuneration	-	-
	<u> </u>	<u> </u>

Change in accounting estimate

At 31 March 2016 the directors reassessed the basis of depreciation charge on its coaches to 10% straight line (previously 8%). This had the effect of increasing the depreciation charge for the year ended 31 March 2016 by £98,388. The depreciation charge for the year ended 31 March 2017 is expected to be in line with the 2016 year.

4. Taxation

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	6,112	29,856
Adjustment re earlier years	(195)	-
	<u> </u>	<u> </u>
Total current tax	5,917	29,856
Deferred tax	(42,533)	58,940
	<u> </u>	<u> </u>
Tax on (loss)/profit on ordinary activities	<u>(36,616)</u>	<u>88,796</u>

UK corporation tax was charged at 20% in 2015.

LOCHS AND GLENS (TRANSPORT) LIMITED

Notes to the Financial Statements - continued for the Year Ended 31 March 2016

4. Taxation - continued

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016	2015
	£	£
(Loss)/profit on ordinary activities before tax	(177,819)	453,721
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	(35,564)	90,744
Effects of:		
Capital allowances in excess of depreciation	(857)	(1,948)
Adjustments to tax charge in respect of previous periods	(195)	-
Total tax (credit)/charge	(36,616)	88,796

5. Pension costs and other post-retirement benefits

The company operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £1,192 (2015 - £253).

6. Tangible fixed assets

	Fixtures & equipment £	Motor vehicles & coaches £	Totals £
Cost			
At 1 April 2015	20,879	4,255,864	4,276,743
Additions	-	1,641,000	1,641,000
Disposals	-	(1,584,431)	(1,584,431)
At 31 March 2016	20,879	4,312,433	4,333,312
Depreciation			
At 1 April 2015	12,011	671,030	683,041
Charge for year	1,330	433,408	434,738
Written back on disposals	-	(425,827)	(425,827)
Impairments	-	79,371	79,371
At 31 March 2016	13,341	757,982	771,323
Net book value			
At 31 March 2016	7,538	3,554,451	3,561,989
At 31 March 2015	8,868	3,584,834	3,593,702

LOCHS AND GLENS (TRANSPORT) LIMITED

Notes to the Financial Statements - continued for the Year Ended 31 March 2016

7. Debtors

	2016	2015
	£	£
Amounts falling due within one year:		
Other debtors	186,561	154,629
Prepayments	8,283	6,904
	<u>194,844</u>	<u>161,533</u>
Amounts falling due after more than one year:		
Other debtors	<u>7,963</u>	<u>12,834</u>
Aggregate amounts	<u>202,807</u>	<u>174,367</u>

8. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	164,858	216,778
Corporation tax	6,112	29,856
Taxation and social security	10,060	10,082
Other creditors	-	35,620
Accruals	18,552	9,106
	<u>199,582</u>	<u>301,442</u>

9. Provisions for liabilities

	2016	2015
	£	£
Deferred tax		
Accelerated capital allowances	<u>440,142</u>	<u>482,675</u>

	Deferred tax
	£
Balance at 1 April 2015	482,675
Credit to Statement of Comprehensive Income during year	(42,533)
Balance at 31 March 2016	<u>440,142</u>

10. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£	£
8	Ordinary	£1	<u>8</u>	<u>8</u>

LOCHS AND GLENS (TRANSPORT) LIMITED

Notes to the Financial Statements - continued for the Year Ended 31 March 2016

11. Reserves

	Retained earnings £
At 1 April 2015	3,335,380
Deficit for the year	(141,203)
At 31 March 2016	<u>3,194,177</u>

Retained earnings represents cumulative profits and losses net of dividends and other adjustments.

12. Related party disclosures

M F Wells (Hotels) Limited

A company under common control

	2016 £	2015 £
Tour income receivable	7,425,241	7,578,234
Management charge payable	2,600,000	2,620,000
	2016 £	2015 £
Amount due from/(to) related party at the balance sheet date	<u>6,360</u>	<u>(35,620)</u>

Wells Hotels Limited

A company under common control

The inter company loan below is repayable on demand.

	2016 £	2015 £
Amount due from related party at the balance sheet date	<u>88,240</u>	<u>88,240</u>

13. Ultimate controlling party

No one party had ultimate control in the current year.

14. First year adoption

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements for the year ended 31 March 2015 were prepared under the previous UK GAAP. The transition date to FRS 102 is therefore 1 April 2014.

The transition to FRS 102 has not affected the reported financial position and performance of either the current or previous accounting period.