

**ScotRail Trains Limited**  
**Unaudited Financial Statements**  
**For the 7 month period ended 31 March 2022**  
**Pages for filing with Registrar**

**Company Registration Number SC328826**





## **Company Information**

### **Directors**

**(in the period and up to the  
date of signing these financial  
statements)**

Nicholas J.F. Brown (appointed 16 June 2022)  
Emma J. Dixon (appointed 1 December 2022)  
Christopher L. Gibb (appointed 21 March 2022, resigned 29 December 2022)  
James E. Griffin (appointed 1 April 2022, resigned 11 November 2022)  
Alexander J. Hynes (appointed 1 April 2022)  
Lesley A. Kane (appointed 1 April 2022)  
David M. Lister (appointed 1 April 2022)  
David Lowrie (appointed 21 March 2022)  
Joanne H. Maguire (appointed 1 April 2022)  
Derek F. Marchant (appointed 1 December 2022)  
John H. Provan (resigned 17 March 2022)  
William J. Reeve (resigned 1 April 2022)  
James L. Shedden (resigned 1 April 2022)  
David A. Simpson (appointed 1 April 2022)  
Natalie L. Smith (appointed 1 December 2022, resigned 15 February 2023)

### **Company Secretary (Nominee)**

Emma J. Dixon (appointed 26 January 2023)  
MacRoberts Corporate Services Limited (resigned 26 January 2023)

### **Registered Office**

Atrium Court,  
50 Waterloo Street,  
Glasgow,  
Scotland  
G2 6HQ

### **Registration Number**

SC328826



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SCOTRAIL TRAINS LIMITED, company number: SC328826

Statement of Financial Position

For the period ended 31 March 2022

	Notes	At 31 March 2022 £	As restated At 31 August 2021 £
<b>ASSETS</b>			
<b>Current assets</b>			
Cash at bank and in hand		<u>30,411,515</u>	<u>520</u>
		<u>30,411,515</u>	<u>520</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	3	<u>(30,411,514)</u>	<u>(519)</u>
<b>Net Assets</b>		<u>1</u>	<u>1</u>
<b>EQUITY</b>			
Ordinary share capital	4	1	1
Retained earnings		<u>-</u>	<u>-</u>
<b>Total Equity</b>		<u>1</u>	<u>1</u>

Details of the 31 August 2021 restatement are included in note 2 to these financial statements.

For the financial period ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Directors of the company have elected not to include a copy of the income statement within the financial statements.

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

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476 of the Companies Act 2006.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The accompanying notes form an integral part of this statement of financial position.

The financial statements were approved by the board of Directors on 23 February 2023 and were signed on its behalf by:



Derek Marchant, Director

1 March 2023



## **1. Accounting policies**

ScotRail Trains Limited is a private limited company limited by shares incorporated in Scotland. The address of the company's registered office is Atrium Court, 50 Waterloo Street, Glasgow, G2 6HQ.

### **a) 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 £.

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

The financial year end of the company was changed from 31 August to 31 March so as to be coterminous with the year end of its immediate parent company. Accordingly, the current financial statements are prepared for the 7 month period from 1 September 2021 to 31 March 2022 and as a result, the comparative figures stated in the statement of financial position and the related notes are not entirely comparable.

### **b) Going concern**

These financial statements are prepared on the going concern basis. The Directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

On 1 April 2022 a Grant Agreement commenced between The Scottish Ministers, Scottish Rail Holdings Limited and the Company, as disclosed in the post balance sheet event note to these accounts on page 7. The Directors have a reasonable expectation that funding, as required to operate the Company, will continue to be received within the terms of this Grant Agreement.

### **c) Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### **d) 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 Statement of financial position 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.



**i) 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.

**ii) Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

**e) Government Grants**

In accordance with IAS 20, government grant income received by the Company will be recognised in the income statement on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grant is intended to compensate.

**2. Restatement**

The Company has restated the prior year comparatives to reallocate amounts received from Scottish Rail Holdings Limited to facilitate the mobilisation on 1 April 2022. These amounts were previously recognised under general reserves however it was later determined that these should have been treated as deferred income, therefore the error was corrected as summarised in the table below:

	31 August 2021	Restatement Amount	31 August 2021
	£	£	Restated £
Retained earnings	(519)	519	-
Trade and other payables:			
Accruals and deferred income	-	(519)	(519)
	<b>(519)</b>	<b>-</b>	<b>(519)</b>



**3. Trade and other payables**

	31 March 2022	As restated 31 August 2021
	£	£
<i>Amounts falling due within one year:</i>		
Deferred Government Grant Income	(22,910,955)	-
Accruals and deferred income	(559)	(519)
Other payables	(7,500,000)	-
	<u>(30,411,514)</u>	<u>(519)</u>

The Company did not trade during the reporting period. The deferred government grant income amount above consists of the Grant Payment received on 30 March 2022 from Scottish Rail Holdings Limited in relation to the reporting period beginning on 1 April 2022.

Per the ScotRail Grant Agreement, effective from 1 April 2022, the Company is entitled to a Working Capital Facility of £7.5m from Scottish Rail Holdings Limited. The amount of £7.5m in 'Other payables' above was received by the Company on 30 March 2022 and converted to a fixed term loan on 1 April 2022. This working capital loan will be unsecured, will not accrue interest, and is repayable to Scottish Rail Holdings immediately after the expiry date, or upon termination, of the Grant Agreement.

**4. Ordinary share capital**

	31 March 2022	As restated 31 August 2021
	£	£
Issued share capital fully paid		
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

The Shareholders of the Company during the financial period are Scottish Rail Holdings Limited (SC548826).

**5. Average number of employees**

During the period the average number of employees was nil (2021 – nil).

**6. Post balance sheet event**

On 1 April 2022 a Grant Agreement commenced between The Scottish Ministers, Scottish Rail Holdings Limited and the Company. The Grant Agreement sets out the basis on which the company will be contracted to operate ScotRail passenger rail services, and sets out the roles and responsibilities of the parties in delivering passenger rail services. Furthermore, as described in note 3 to these accounts the Company received an amount of £7.5m which is in relation to a Working Capital Facility receivable under the terms of the Grant Agreement and this will convert to a fixed term loan upon the commencement date of trade on 1 April 2022.

ScotRail passenger rail services were previously operated by Abellio ScotRail Limited under a Franchise agreement with the Scottish Ministers.



## **7. Parent Company**

The immediate parent company is Scottish Rail Holdings Limited which is registered in Scotland no. SC548826. Copies of its financial statements are available from Scottish Rail Holdings Limited, Glasgow Queen Street Station Management Suite, Dundas Street, Glasgow, Scotland, G1 2AQ. The shareholder of Scottish Rail Holdings Limited, and ultimate parent of the company, is The Scottish Ministers, the address of whom is The Scottish Government, St. Andrew's House, Regent Road, Edinburgh, EH1 3DG.