

**ARGYLL FERRIES LIMITED
DIRECTORS' REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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Directors' Report

The Directors present their Directors' Report and financial statements for the year ended 31 March 2021.

Principal activity and business review

The Company operated the Gourock to Dunoon passenger ferry service until 20 January 2019, under contract with the Scottish Government.

The Company made a profit before tax of £7,000 (2020: £NIL). No dividends have been paid or proposed (2020: £800,000).

Political and charitable donations

The Company made no political or charitable donations during the period.

Directors and their interests

The Directors who held office during the period and up to the date of this report were as follows:

D C McGibbon
R L Drummond
J Stirling

None of the Directors had any disclosable interest in the shares of the Company.

Financial instruments

The Company enters into no complex financial instruments.

Disclosure of information to Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Going concern

Historically the company's principal activity was Ferry Services. However in the year ended 31 March 2020 the directors took the decision to cease trading following the Gourock to Dunoon route being transferred to the Clyde and Hebrides Ferry Service (CHFS) contract. As the directors intend to liquidate the company following the settlement of the remaining net assets, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

Auditor

A resolution to re-appoint KPMG LLP as auditor of the Company will be put to the members at the Annual General Meeting.

On behalf of the Board



R Drummond
Director
3 November 2021

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the members of Argyll Ferries Limited

Opinion

We have audited the financial statements of Argyll Ferries Limited ("the company") for the year ended 31 March 2021 which comprise the Profit and Loss Account, Balance Sheet, Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter - non-going concern basis of preparation

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, as to the Company's high-level policies and procedures to prevent and detect fraud, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management, those including key words in description and those posted to unrelated accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Independent Auditor's Report to the members of Argyll Ferries Limited *(continued)*

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Independent Auditor's Report to the members of Argyll Ferries Limited *(continued)*

The purpose of our audit work and to whom we owe our responsibilities

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.



**Michael Wilkie (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS

4 November 2021

**Profit and Loss Account
for the year ended 31 March 2021**

| | Note | 2021 £000 | 2020 £000 |
|---------------------------------------------|------|----------------------|--------------|
| Turnover | 2 | - | - |
| Cost of sales | | 7 | 5 |
| | | <hr/> | <hr/> |
| Gross profit | | 7 | 5 |
| Administrative expenses | | - | (7) |
| | | <hr/> | <hr/> |
| Operating (loss)/profit | | 7 | (2) |
| Interest receivable | 2 | - | 2 |
| | | <hr/> | <hr/> |
| Profit before taxation | 2 | 7 | - |
| Tax on profit/(loss) | 4 | (1) | (43) |
| | | <hr/> | <hr/> |
| Profit/(loss) for the financial year | | 6 | (43) |
| | | <hr/> | <hr/> |

All amounts relate to discontinued operations.

There was no other comprehensive income in the period.

**Balance Sheet
as at 31 March 2021**

| | Note | 2021 £000 | 2020 £000 |
|-------------------------------------|------|--------------|--------------|
| Current assets | | | |
| Debtors | 5 | - | 1 |
| Cash at bank and in hand | | 339 | 371 |
| | | 339 | 372 |
| Creditors | | | |
| Amounts falling due within one year | 6 | (1) | (40) |
| | | 338 | 332 |
| Net assets | | | |
| Capital and reserves | | | |
| Called up share capital | 7 | - | - |
| Profit and loss account | | 338 | 332 |
| Shareholder's funds | | | |
| | | 338 | 332 |

These financial statements were approved by the Board of Directors and signed on 3 November 2021 on its behalf by:



D C McGibbon, Chairman



R L Drummond, Director

Statement of Changes in Equity

| | Called Up Share Capital £000 | Profit and Loss Account £000 | Total Equity £000 |
|--------------------------------------------------|---------------------------------------|---------------------------------------|-------------------------|
| Balance at 1 April 2019 | - | 1,175 | 1,175 |
| Total comprehensive income for the period | | | |
| Loss | - | (43) | (43) |
| Total comprehensive income for the period | - | (43) | (43) |
| Total distributions to owners | | | |
| Dividends | - | (800) | (800) |
| Balance at 31 March 2020 | - | 332 | 332 |

| | Called Up Share Capital £000 | Profit and Loss Account £000 | Total Equity £000 |
|--------------------------------------------------|---------------------------------------|---------------------------------------|-------------------------|
| Balance at 1 April 2020 | - | 332 | 332 |
| Total comprehensive income for the period | | | |
| Profit | - | 6 | 6 |
| Total comprehensive income for the period | - | 6 | 6 |
| Balance at 31 March 2021 | - | 338 | 338 |

The accompanying notes are an integral part of these financial statements

Notes on the financial statements

1. Accounting policies

Argyll Ferries Limited is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2013/14 Cycle) issued in July 2014 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:-

- a Cash Flow Statement and related notes
- disclosure in respect of capital management
- the effects of new but not yet effective IFRSs
- an additional balance sheet for the beginning of the earliest comparative period
- disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of David MacBrayne Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:-

- the disclosures required by IFRS 7 and IFRS 13 regarding financial instrument disclosures have not been provided.

(a) Basis of preparation

These financial statements have been prepared under the historical cost accounting convention and in accordance with applicable accounting standards. For the reasons explained in the Directors' report, the financial statements have not been prepared on a going concern basis.

Going concern

Historically the company's principal activity was Ferry Services. However in the year ended 31 March 2020 the directors took the decision to cease trading following the Gourock to Dunoon route being transferred to the Clyde and Hebrides Ferry Service (CHFS) contract. As the directors intend to liquidate the company following the settlement of the remaining net assets, they have not prepared the financial statements on a going concern basis. There have been no remeasurement adjustments required as a result of this change in basis of preparation.

Impact of newly effective standards

There are no new accounting standards that are expected to have an impact on the company.

(b) Stock

Stock in relation to fuels, lubricants and consumable stores is stated at cost. Cost is based on the weighted average principle and includes expenditure incurred in acquiring the relevant stock and other costs incurred in bringing them to their existing location and condition.

(c) Financial instruments

- (i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets

- (ii) Classification and subsequent measurement

(a) Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Notes on the financial statements

1. Accounting policies (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances held with the bank.

(b) Subsequent measurement and gains and losses

Financial assets at FVTPL - these assets (other than derivatives designated as hedging instruments) are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost - these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities and equity

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified at at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Impairment

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI and contract assets (as defined in IFRS 15).

The Company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as twelve-month ECL.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Notes on the financial statements

1. Accounting policies (continued)

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

Twelve-month ECLs are the portion of ECLs that result from default events that are possible within the twelve months after the reporting date, or a shorter period if the expected life of the instrument is less than twelve months.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive.) ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

(d) Revenue

The accounting policy for revenue is described in note 2.

(e) Taxation

The charge for taxation is based upon the result for the period and, where appropriate, takes into account tax deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

(f) Pensions

The Company is a participating employer in the CalMac Pension Fund, which is a defined benefit scheme operated by Caledonian Maritime Assets Limited. Accordingly, for the purposes of FRS 101: Retirement Benefits, pension contributions are accounted for as if the scheme was defined contribution.

(g) Dividend to Shareholder

Where circumstances permit, a dividend is payable annually to the holding company David MacBrayne Limited. The quantum of the dividend is dependent on the estimated profit which is expected to be achieved for the financial year and the Company's cash position.

2. Profit before tax

The profit is stated after charging/(crediting):

| | | 2021 | 2020 |
|------------------------|---------------------------------------|-------------|-------|
| | | £000 | £000 |
| Auditor's remuneration | - audit of these financial statements | - | 5 |
| | - other services relating to tax | - | 2 |
| Harbour access charges | | - | (17) |
| Interest receivable | - bank | - | 2 |
| | | <hr/> | <hr/> |

2021 audit fees of £2,300 were paid by another company within the David MacBrayne Limited group.

Notes on the financial statements**3. Employee information****Employee numbers**

The average number of people employed by the Company (excluding Directors) during the year was 0 (2020: 0).

Directors' remuneration

| | 2021 | 2020 |
|---------------------------------|-------------|-------|
| | £000 | £000 |
| Directors' remuneration | 191 | 206 |
| Employer's Pension Contribution | 41 | 40 |
| | <hr/> | <hr/> |

The aggregate of remuneration of the highest paid Director was £155,000 (2019: £160,000). All Directors of the company had their remuneration paid by another company within the David MacBrayne Limited group in both the current and previous year.

Number of Directors

| | 2021 | 2020 |
|------------------------------------------------------------------------------|-------------|-------|
| Retirement benefits are accruing to the following number of Directors under: | | |
| Defined benefit schemes | 1 | 1 |
| | <hr/> | <hr/> |

4. Taxation

| | 2021 | 2020 |
|---------------------------------------------|-------------|-------|
| | £000 | £000 |
| Current tax | | |
| UK corporation tax on profit for the period | 1 | - |
| Adjustments in respect of prior periods | - | 43 |
| | <hr/> | <hr/> |
| Total current tax charge | 1 | 43 |
| | <hr/> | <hr/> |
| Total tax charge | 1 | 43 |
| | <hr/> | <hr/> |

The tax charge on profit for the year varied from the standard rate of UK corporation tax as follows:

| | 2021 | 2020 |
|---------------------------------------------------------|-------------|-------|
| | £000 | £000 |
| Profit for the period before tax | 7 | - |
| | <hr/> | <hr/> |
| UK corporation tax at statutory rate of 19% (2020: 19%) | 1 | - |
| Prior year adjustments | - | 43 |
| | <hr/> | <hr/> |
| Total tax charge | 1 | 43 |
| | <hr/> | <hr/> |

4. Taxation (continued)

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. The UK deferred tax liability as at 31 March 2021 was calculated at 19% (2020: 19%). This will increase the Company's future tax charge accordingly.

An increase in the UK corporation tax from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021.

Notes on the financial statements**5. Debtors**

| | 2021 £000 | 2020 £000 |
|--------------------------------|----------------------------|--------------|
| Prepayments and accrued income | - | 1 |
| | <u>-</u> | <u>1</u> |

6. Creditors: amounts falling due within one year

| | 2021 £000 | 2020 £000 |
|-----------------|----------------------------|--------------|
| Corporation tax | 1 | 40 |
| | <u>1</u> | <u>40</u> |

7. Called up share capital

| | 2021 £000 | 2020 £000 |
|-------------------------------------------|----------------------------|--------------|
| Allotted, called up and fully paid | | |
| 1 Ordinary Share of £1 | - | - |
| | <u>-</u> | <u>-</u> |

8. Pension arrangements

Following the Gourock to Dunoon route being transferred to the Clyde and Hebrides Ferry Service (CHFS) contract in the year ended 31 March 2020 the employees of the company were transferred to CalMac Ferries Ltd, therefore the company no longer participates in pensions arrangements.

9. Related party transactions

Under FRS 101, the Company is exempt from the requirement to disclose related party transactions with Group undertakings as it is a wholly owned subsidiary of a parent undertaking which prepares and publishes consolidated financial statements.

Details of transactions with other related parties are as follows:

| | 2021 £000 | 2020 £000 |
|---------------------------------------------------------------------|----------------------------|--------------|
| Transactions during the period - receivable/(payable): | | |
| Solent Gateway Limited | | |
| - consortium relief | - | (43) |
| | <u>-</u> | <u>(43)</u> |
| Amounts due at the end of the period - receivable/(payable): | | |
| Solent Gateway Limited | | |
| - consortium relief | - | (40) |
| | <u>-</u> | <u>(40)</u> |

Notes on the financial statements**10. Ultimate parent company**

The Company is a wholly owned subsidiary of David MacBrayne Limited, which is wholly owned by the Scottish Ministers, who are regarded as the ultimate controlling party. The Group in which the Company's results are consolidated is that headed by David MacBrayne Limited, which is incorporated in the United Kingdom. No other Group financial statements include the Company's results.

The consolidated financial statements are available to the public and copies may be obtained from the parent company's registered office at the Ferry Terminal, Gourock, PA19 1QP, and are also available on the parent company's website.

Corporate information

| | | |
|---------------------------|---------------------------------------------------------|--------------------------------------------------------------------------|
| Registered Office | The Ferry Terminal Gourock PA19 1QP | |
| Auditor | KPMG LLP | |
| Solicitor | Pinsent Masons | |
| Banker | The Royal Bank of Scotland plc | |
| Principal insurers | The North of England Protecting & Indemnity Association | |
| Website | Parent company: | www.david-macbrayne.co.uk |
| | Company: | www.argyllferries.co.uk |