

Lothian increases profit and invests in the future

Lothian which is the new shorter name for the Capital's bus company has improved its performance and profits at the same time.

The profit has risen from £6.8m up from £6.6m last year and this sum is handed over to their public sector owners, The City of Edinburgh Council.

The 2017 annual report also highlights a 4.1% increase in turnover from £146.9m in 2016 to £152.9m in 2017.



Jim McFarlane, Chair of Lothian, said: "I'm really pleased that our accounts demonstrate that we continue to buck the national trend experienced by much of the bus industry by increasing customers, revenues and investment while maintaining profitability and our ability to provide a dividend to our local authority shareholders.

"Having a strong and embedded strategy, coupled with the outstanding performance, dedication and ongoing commitment of our management team and staff at all levels allows our business model to serve the City of Edinburgh and the surrounding Lothian councils with innovative customer-focused bus services.

"We continue to grow and expand, creating new jobs and opportunities by focusing on high-quality products coupled with strong delivery by our teams, whilst increasing the levels of transport provision for our customers"

Richard Hall, Managing Director of Lothian, added: "Lothian contributes massively to both the local and wider Scottish

economies, whether that be through employment opportunities or our supply chain. It is now critical that we future-proof our business by investing in new opportunities and markets as well as improving the profile of our fleet and assets.

“Significant investment in new buses to enhance the customer experience and meet emissions targets is a key critical path. Such investment, growth and expansion creates new jobs whilst increasing levels of transport provision and improving the overall customer experience.

“Partnership working is vital to the future success of our operations and we need to continue to work closely with the City of Edinburgh and surrounding Lothian councils to ensure that our buses are able to move efficiently around the city and its environs which in turn allows us to deliver a high level of service for all of our customers.

“Buses are the solution, both now and in the future to combat rising congestion and environmental issues.”

KEY FIGURES

- Patronage 121.1m
- Revenue £152.9m: an increase of £6.0m
- Net profit £7.4m
- Operating profit margin 6.7%
- Interim dividend £6.8m: an increase of £0.2m

The company invested £26.2m, buying 86 new passenger vehicles, adding around 10% to the size of its total fleet.

Over the last 10 years, the company has generated revenues of over £1.3 billion, and returned a dividend of £40.8 million to the council. During this period it also carried over 1.1 billion passengers.