Registered Number:
1350718

Fraikin Limited

Reports and Financial Statements

31 December 2013

Directors
L Bonnaure
P Backhouse
H Rougier
JP Gregoire

Auditors
Ernst & Young LLP
No.1 Colmore Square
Birmingham
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Bankers
The Royal Bank of Scotland
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Strategic report

The directors present their strategic report for the year ended 31 December 2013.

Results and dividends

The profit for the year after taxation amounted to £4,529,931 (2012 – £7,071,181). The directors do not recommend a dividend for the year (2012 – £nil).

Principal activity and business review

The principal activity of the company during the year continued to be the provision of contract hire facilities and other services in relation to commercial vehicles, as well as carrying out services on behalf of Fraikin Assets UK for which it receives management fees.

The company produces a comprehensive range of key performance indicators each month in order to measure the financial and operational parts of the business. Key financial performance indicators include turnover, vehicle fleet statistics, operating profit, debtor days, query resolution times, credit notes issued and creditor days.

Turnover for the year ended 31 December 2013 was £55,245,625 (2012 – £69,483,697). The main factor contributing to this was the transfer during 2012 by Fraikin Limited to Fraikin Assets UK of its entire fleet on contract lease (all trucks and vehicles except workshop vehicles) together with all the vehicle leasing agreements it had entered into with its clients.

Operating profit from continued operations for the year ended 31 December 2013 was £4,528,745 (2012 – £3,000,247). The increase in operating profit was mainly down to the exit of loss making contracts, developing current business and improved monitoring of maintenance and repair costs.

The number of vehicles in the fleet management portfolio as at 31 December 2013 was 4,647 (2012 – 8,699). The decrease in the portfolio numbers was mainly due to the termination of a major contract.

Trade debtor days as at 31 December 2013 were 32 (2012 – 29 days). Trade creditor days as at 31 December 2013 were 75 (2012 – 70 days).

Key operational performance indicators include the measurement of repair costs, response times for service calls, service slippage and delivery times.

Financial risk management objectives and policies

The main risks arising from the company's operations are liquidity risk, credit risk and interest rate risk. The company does not enter into any foreign exchange transactions with the exception of those with group companies. The directors review and agree policies for managing each of these risks and these are summarised below.

Strategic report

Liquidity risk

The company seeks to manage liquidity risk by managing the cash generation of its operations, applying cash collection targets and monitoring performance against these. There is no external funding in the company. However, Fraikin Group is financed through a securitisation agreement taken out by Fraikin Assets SAS. The facility is a multicurrency loan facility, which is available until March 2017 and is repayable by a single payment on maturity. The loan is subject to certain group covenants.

Interest rate risk

The company is exposed to changes in interest rates. This risk is managed by the parent entity, which has in place interest rate swaps to manage rate fluctuations on its group external loans.

Credit risk

The company's principal financial assets are cash and trade debtors. The credit risk arises from its trade debtors. In order to manage credit risk the directors ensure that all customers undergo third party credit checks and they undertake regular reviews of credit limits and outstanding amounts due.

By order of the Board

P. D. Backhouse

Peter Backhouse
Director

Date: 25th July 2014

Directors' report

The directors present their report and financial statements for the year ended 31 December 2013.

Directors

The directors who served the company during the year and subsequently were as follows:

O de la Moriniere (resigned 12 September 2013)
M Denis (resigned 12 September 2013)
L Bonnaure
P Backhouse
X Lansade (resigned 12 September 2013)
H Rougier (appointed 12 September 2013)

JP Gregoire (appointed 12 September 2013)

Going concern

The directors have prepared a forecast which estimates the cash flows of the business for a period of greater than twelve months, which demonstrates that the company has good trading prospects, is expected to trade profitably and generate cash and be able to satisfy its liabilities as they fall due and the company has adequate resources to continue in operation on a day to day basis.

Further, the company is not reliant on settlement of its receivables due either from Fraikin Groupe (£26.7m as of 30 June 2014) nor from Fraikin Assets (£10m as of 30 June 2014) in order to settle such liabilities in this forecast period.

In addition, the directors, through discussion with the Fraikin Groupe CFO received confirmation that there is no material uncertainty at a Fraikin Groupe level that would in turn impact the going concern of Fraikin Limited.

On this basis, the directors of Fraikin Limited continue to adopt the going concern principle in preparation of the company's 31 December 2013 financial statements.

Directors' qualifying third party indemnity provision

The company has indemnified the directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' report.

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance.

Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Directors' report

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-appointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution has been proposed for the re-appointment of Ernst & Young LLP as auditor of the company.

By order of the Board

P. Backhouse

Peter Backhouse
Director

Date: 25th July 2014

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 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 estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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.

Independent auditor's report

to the members of Fraikin Limited

We have audited the financial statements of Fraikin Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 23. 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).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, 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 Reports and Financial Statements 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 December 2013 and of its profit 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report

to the members of Fraikin 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.

Ernst & Young LLP

Adrian Roberts (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP (Statutory Auditor)

Birmingham

Date: 29 July 2014

Profit and loss account

for the year ended 31 December 2013

	Notes	*2013* £	*2012* £
Turnover from continued operations		55,245,625	40,838,848
Turnover from discontinued operations		-	28,644,849
Total turnover	2	55,245,625	69,483,697
Cost of sales		(41,605,811)	(53,266,823)
Gross profit		13,639,814	16,216,874
Administrative expenses		(9,028,815)	(11,025,195)
Other operating income	3	154,271	361,401
Profit on disposal of fixed assets		125,605	3,974,127
Cost of restructuring the company		(362,130)	(547,694)
Operating profit from continued operations		4,528,745	3,000,247
Operating profit from discontinued operations		-	5,979,266
Operating profit	4	4,528,745	8,979,513
Interest receivable	7	1,559,665	1,109,608
Interest payable and similar charges	8	(69,150)	(1,652,909)
Profit on ordinary activities before taxation		6,019,260	8,436,212
Tax on profit on ordinary activities	9	(1,489,329)	(1,365,031)
Profit for the financial year	18,19	4,529,931	7,071,181

Statement of total recognised gains and losses

for the year ended 31 December 2013

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £4,529,931 in the year ended 31 December 2013 (2012 - £7,071,181).

Balance sheet

at 31 December 2013

	Notes	2013 £	2012 £
Fixed assets			
Intangible assets	10	5,748,383	6,227,414
Tangible assets	11	2,380,246	2,900,237
		8,128,629	9,127,651
Current assets			
Stocks	12	211,346	238,891
Debtors – due after more than one year	13	142,960	403,761
– due within one year	13	63,380,116	51,996,066
Cash at bank and in hand		1,313,920	2,077,681
		65,048,342	54,716,399
Creditors: amounts falling due within one year	15	(27,436,808)	(22,633,818)
Net current assets		37,611,534	32,082,581
Total assets less current liabilities		45,740,163	41,210,232
Net assets		45,740,163	41,210,232
Capital and reserves			
Called-up equity share capital	16	21,500,000	21,500,000
Share premium account	17	14,413,560	14,413,560
Profit and loss account	18	9,826,603	5,296,672
Shareholders' funds	19	45,740,163	41,210,232

Approved for issue by the Board of Directors and signed on its behalf by:

P. D. Backhouse

Peter Backhouse
Director

Date: 25th July 2014.

Notes to the financial statements

at 31 December 2013

1. Principal accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards.

Going concern

The directors have prepared a forecast which estimates the cash flows of the business for a period of greater than twelve months, which demonstrates that the company has good trading prospects, is expected to trade profitably and generate cash and be able to satisfy its liabilities as they fall due and the company has adequate resources to continue in operation on a day to day basis.

Further, the company is not reliant on settlement of its receivables due either from Fraikin Groupe (£26.7m as of 30 June 2014) nor from Fraikin Assets (£10m as of 30 June 2014) in order to settle such liabilities in this forecast period.

In addition, the directors, through discussion with the Fraikin Groupe CFO received confirmation that there is no material uncertainty at a Fraikin Groupe level that would in turn impact the going concern of Fraikin Limited.

On this basis, the directors of Fraikin Limited continue to adopt the going concern principle in preparation of the company's 31 December 2013 financial statements.

Statement of cash flows

The directors have taken advantage of the exemption in FRS 1 (Revised 1996) 'Statement of Cash Flows' from including a statement of cash flows in the financial statements on the grounds that the company is wholly owned and its parent publishes a group statement of cash flows.

Revenue recognition

Sale of goods and services

Revenue from contract hire vehicles, daily rental vehicles and maintenance contracts is recognised equally over the period of the contract. Customer deposits are deferred and released to income at the end of the contract or refunded to the customer.

Revenue from management, purchasing and maintenance services is recognised as the service is provided in line with the underlying contractual agreements.

The company purchases vehicles for use in contract by Fraikin Assets UK. These vehicles are immediately reassigned to Fraikin Assets UK under a Master Assignment Deed, such that Fraikin Limited does not own the vehicles. A commission is earned for providing this service which is recognised as revenue when title of the vehicle is passed to Fraikin Assets UK.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

Other income

Rental income is recognised equally over the term of the lease.

Goodwill

Positive goodwill arising on the acquisition of Lex Transfleet CFD division is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life of 20 years. It is reviewed for impairment at the end of each financial period following any changes in circumstances which may indicate that the carrying value may not be recoverable.

Notes to the financial statements

at 31 December 2013

1. Principal accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost (less manufacturers' discounts) less accumulated depreciation. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold land	–	not depreciated
Freehold buildings	–	20 years
Plant, machinery and equipment	–	3 to 10 years
Contract vehicles	–	the term of the contract
Leasehold improvements	–	the term of the lease

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All exchange differences are taken to the profit and loss account.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions are charged to the profit and loss account in the period they become payable.

Provisions for liabilities

A provision is recognised when the company has a legal constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Repairs and maintenance

Expenditure in respect of repairs and maintenance of the company's fleet of commercial vehicles is charged to the profit and loss account in the accounting period in which the expenditure is incurred.

Notes to the financial statements

at 31 December 2013

2. Turnover

Turnover from continued operations represents the amounts attributable to the principal activities of the company being short term vehicle hire, fleet management services and management fees from carrying out services on behalf of Fraikin Assets UK, stated net of value added tax. All turnover arose within the United Kingdom.

Turnover from discontinued operations represents the amounts attributable to vehicle contract hire and short term vehicle hire which is now carried out by Fraikin Assets UK, stated net of value added tax. All turnover arose within the United Kingdom.

3. Other operating income

	2013	*2012*
	£	*£*
Rent receivable	154,271	159,406
Settlements from early contract terminations	-	201,995
	154,271	361,401

4. Operating profit

This is stated after charging/(crediting):

		2013	*2012*
		£	*£*
Auditors' remuneration	– audit of the financial statements	89,800	93,450
	– tax services	4,000	6,500
		93,800	99,950
Amortisation of goodwill		479,031	479,032
Depreciation of owned fixed assets		514,106	12,522,234
Profit on disposal of fixed assets		(125,605)	(3,974,127)
Realised exchange (gain)/loss on foreign currency borrowings		(500,470)	1,011,633
Operating lease rentals	– vehicles	347,898	514,419
	– land and buildings	816,398	892,021
	– other	-	42,595

Notes to the financial statements

at 31 December 2013

5. Directors' emoluments

	2013	*2012*
	£	*£*
Emoluments receivable in respect of qualifying directors	271,308	525,908
Company pension contributions to money purchase scheme	41,105	36,600

The number of directors who accrued benefits under the company pension scheme was as follows:

	2013	*2012*
	No.	*No.*
Money purchase schemes	1	1

Three (2012 – four) of the directors are employed and remunerated by the parent company. The directors' consider that their time spent on Fraikin Limited is inconsequential and therefore no remuneration is disclosed.

6. Staff costs

	2013	*2012*
	£	*£*
Wages and salaries	11,635,436	11,547,925
Social security costs	1,047,044	1,087,926
Other pension costs	303,520	281,336
	12,986,000	12,917,187

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

	2013	*2012*
	No.	*No.*
Management and administration	216	221
Vehicle maintenance	180	196
	396	417

7. Interest receivable

	2013	*2012*
	£	*£*
Bank interest receivable	16,934	22,258
Intercompany interest receivable	1,542,731	1,087,350
	1,559,665	1,109,608

Notes to the financial statements

at 31 December 2013

8. Interest payable and similar charges

	2013 £	2012 £
Bank loans and overdrafts	69,150	1,652,909

9. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2013 £	2012 £
Current tax:		
UK corporation tax on the profit for the year	1,334,019	1,816,551
Adjustment in respect of prior years	(105,491)	-
Total current tax (note 9(b))	1,228,528	1,816,551
Deferred tax:		
Origination and reversal of timing differences	175,345	(448,717)
Adjustment in respect of prior years	37,710	1,106
Change in tax rate	47,746	(3,909)
Total deferred tax (note 14)	260,801	(451,520)
Tax on profit on ordinary activities	1,489,329	1,365,031

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower (2012 – lower) than the standard rate of corporation tax in the UK of 23.25% (2012 – 24.5%). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before taxation	6,019,260	8,436,212
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 – 24.5%)	1,399,478	2,066,872
Effects of:		
Expenses not deductible for tax purposes	21,799	20,344
Difference between capital allowances and depreciation	(109,746)	1,902,913
Group relief taken/utilisation of brought forward loss	-	(2,135,742)
Other timing differences	22,488	(37,836)
Adjustment in respect of prior years	(105,491)	-
Current tax for the year (note 9(a))	1,228,528	1,816,551

Notes to the financial statements

at 31 December 2013

10. Intangible fixed assets

	Goodwill
	£
Cost:	
At 1 January 2013 and 31 December 2013	9,580,638
Amortisation:	
At 1 January 2013	3,353,224
Charge for the year	479,031
At 31 December 2013	3,832,255
Net book value:	
At 31 December 2013	5,748,383
At 31 December 2012	6,227,414

11. Tangible fixed assets

	Freehold land and buildings	*Plant, machinery and equipment*	*Contract vehicles*	*Leasehold improve-ments*	*Total*
	£	*£*	*£*	*£*	*£*
Cost:					
At 1 January 2013	1,770,187	1,207,545	604,434	2,670,989	6,253,155
Additions	191,724	252,238	52,021	8,281	504,264
Disposals	(851,584)	(367,053)	(373,096)	(201,111)	(1,792,844)
Transfers	-	(111,050)	111,050	-	-
At 31 December 2013	1,110,327	981,680	394,409	2,478,159	4,964,575
Depreciation:					
At 1 January 2013	548,869	680,430	462,264	1,661,355	3,352,918
Charge for the year	41,408	246,187	5,561	220,950	514,106
Disposals	(389,467)	(366,539)	(334,162)	(192,527)	(1,282,695)
Transfers	-	(109,973)	109,973	-	-
At 31 December 2013	200,810	450,105	243,636	1,689,778	2,584,329
Net book value:					
At 31 December 2013	909,517	531,575	150,773	788,381	2,380,246
At 31 December 2012	1,221,318	527,115	142,170	1,009,634	2,900,237

Notes to the financial statements

at 31 December 2013

12. Stocks

	2013	2012
	£	£
Spare parts, fuel and lubricants	211,346	238,891

The difference between the purchase price of stock and its replacement cost is not material.

13. Debtors

	2013	2012
	£	£
Debtors falling due within one year:		
Trade debtors	2,486,957	2,895,139
Amounts owed by group undertakings	58,500,044	45,973,820
Other debtors	1,079,601	1,191,678
Prepayments and accrued income	1,313,514	1,935,429
	63,380,116	51,996,066
Debtors falling due after more than one year:		
Deferred tax (note 14)	142,960	403,761

Included within amounts owed by group undertakings are loans to Fraikin SAS of £25,440,376 (2012 - £23,028,805) and Fraikin Assets UK of £10,000,000 (2012 - £10,000,000). The former is repayable on demand and interest is payable at a variable rate set by the Bank of France, whilst the latter is repayable on demand, but only in the event that Fraikin Assets UK has surplus funds in line with a signed agreement. Interest is payable at a variable rate set by the Bank of France.

14. Deferred tax

The deferred tax included in the balance sheet is as follows:

	2013	2012
	£	£
Included in Debtors (note 13)	142,960	403,761
Included in Provisions for liabilities	-	-

The movement in the deferred tax account during the year was:

	2013	2012
	£	£
Balance brought forward	403,761	(47,759)
Profit and loss account movement arising during the year (note 9(a))	(260,801)	451,520
Balance carried forward	142,960	403,761

Notes to the financial statements
at 31 December 2013

14. Deferred tax (continued)

The balance of the deferred tax account consists of the tax effect of timing differences in respect of:

	2013	2012
	£	£
(Accelerated)/Decelerated capital allowances	(202,153)	536,925
Other timing differences	345,113	(133,164)
	142,960	403,761

There is no unprovided deferred tax in either year.

Factors that may affect future tax charges

The March 2013 Budget announced reductions in the corporation tax rate for the years commencing 1 April 2014 and 1 April 2015, reducing the rate to 21% and 20% respectively. These reductions were substantively enacted by a resolution of Parliament on 2 July 2013 and thus, have been recognised in these financial statements.

15. Creditors: amounts falling due within one year

	2013	2012
	£	£
Trade creditors	2,450,468	7,828,358
Amounts owed to group undertakings	12,318,309	3,110,452
Corporation tax	848,394	1,436,652
Other taxation and social security	904,459	1,243,487
Other creditors	690,414	762,156
Accruals and deferred income	10,224,764	8,252,713
	27,436,808	22,633,818

16. Issued share capital

		2013		2012
Allotted, called up and fully paid	*No.*	*£*	*No.*	*£*
Ordinary shares of £1 each	21,500,000	21,500,000	21,500,000	21,500,000

17. Share premium account

There were no movements in the share premium account during the year.

Notes to the financial statements
at 31 December 2013

18. Profit and loss account

	£
At 1 January 2013	5,296,672
Profit for the financial year	4,529,931
At 31 December 2013	9,826,603

19. Reconciliation of shareholders' funds

	2013 £	*2012* £
Opening shareholders' funds	41,210,232	34,139,051
Profit for the financial year	4,529,931	7,071,181
Closing shareholders' funds	45,740,163	41,210,232

20. Capital commitments

Amounts contracted but not provided in the financial statements amounted to £16,847,670 (2012 – £5,855,233). These amounts relate to vehicles that ultimately will be sold to Fraikin Assets UK.

21. Other financial commitments

As 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below:

	2013		*2012*	
	Land and buildings	*Other items*	*Land and buildings*	*Other items*
	£	£	£	£
Operating leases which expire:				
Within 1 year	228,156	95,325	71,250	23,180
Within 2 to 5 years	346,233	252,417	604,595	339,670
After more than 5 years	145,913	-	205,732	-
	720,302	347,742	881,577	362,850

Other items include company cars held under operating leases.

22. Related party transactions

The company has taken advantage of the exemption in FRS 8 'Related Party Disclosures' from the requirement to disclose transactions with group companies where 100% or more of the voting rights are controlled within the group. There are no other transactions which require disclosure.

Notes to the financial statements
at 31 December 2013

23. Ultimate parent undertaking and controlling party

The company's immediate and ultimate parent undertaking and controlling party is Financiere Truck (Investissement) SAS, a company incorporated in France. The largest and smallest group for which group financial statements are prepared is Financiere Truck (Investissement) SAS. Copies of the group financial statements can be obtained from Fraikin, Tour Albert 1er, 65 avenue de Colmar, 92 507 Rueil-Malmaison, Cedex, France.