

Company Registration No. 04203085 (England and Wales)

**EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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**EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	T Osbourne H Lewis J Ritterband
<b>Company number</b>	04203085
<b>Registered office</b>	2 Torriano Mews London NW5 2RZ
<b>Auditors</b>	Evolution Audit LLP 10 Evolution Wynyard Park Wynyard TS22 5TB

# **EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

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# **EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2011**

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The directors present their report and financial statements for the year ended 31 December 2011

#### **Principal activities and review of the business**

The principal activity of the company in the year under review was that of providing courier and passenger car services

On 28 November 2011, the company, along with its holding company, East Road PCT & Courier plc, sold its business and assets to Addison Lee plc for a consideration of £809,000. Since that date the company has not continued trading with its previous customers. However, the directors have been winding up the remaining affairs of the company and are close to disposing of the final property leases, collecting the outstanding book debts and paying creditors prior to winding up the company and distributing the remaining assets.

#### **Financial instruments**

The company's finances are managed as part of the group of which it is a member.

The group's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors, loans and hire purchase agreements in the parent company Lewis Day Transport plc. The main purpose of these instruments is to raise funds for the group's operations.

Due to the nature of financial instruments used by the group, there is no exposure to price risk. The group's approach to managing other risks applicable to financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts and invoice discounting facilities at floating rates of interest. The group makes use of money market facilities where funds are available.

In respect of loans these comprise loans from the directors and loans from financial institutions. The interest rate on loans from financial institutions is variable but the monthly repayments are fixed. The group manages the liquidity risk by ensuring there are sufficient funds to meet the payments. The loans from the directors are interest free and payable on demand. The directors are aware of the company's required finance and have determined that these will only be repaid, in whole or in part, when finance is available.

In respect of hire purchase agreements, these are from financial institutions with fixed or variable interest rates and fixed monthly repayments. The group manages the liquidity risk by ensuring there are sufficient funds to meet the payments.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

#### **Results and dividends**

The results for the year are set out on page 5.

#### **Future developments**

#### **Directors**

The following directors have held office since 1 January 2011.

T Osbourne

H Lewis

J Ritterband

# **EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

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### **Auditors**

In accordance with the Company's Articles, a resolution proposing that Evolution Audit LLP be reappointed as auditors of the company will be put at a General Meeting

### **Directors' responsibilities**

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 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 of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



H Lewis

Director

17/8/2012

# **EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

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We have audited the financial statements of East Road PCT & Courier (West London) Limited for the year ended 31 December 2011 set out on pages 5 to 15. 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 auditors' 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, 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 Directors' Report to identify material inconsistencies with the audited financial statements. 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 2011 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

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#### **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

*Evolution Audit LLP*

**Joanne Regan FCA (Senior Statutory Auditor)**  
**for and on behalf of Evolution Audit LLP**

*3 September 2012*

**Chartered Accountants**  
**Statutory Auditor**

10 Evolution  
Wynyard Park  
Wynyard  
TS22 5TB

# EAST ROAD PCT & COURIER (WEST LONDON) LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
<b>Turnover</b>	<b>2</b>		
Continuing operations	-	2,749,410	
Discontinued activities	2,446,282	-	
		2,446,282	2,749,410
<b>Cost of sales</b>		(1,748,952)	(1,926,036)
<b>Gross profit</b>		697,330	823,374
<b>Administrative expenses</b>		(669,787)	(592,808)
<b>Operating profit</b>	<b>4</b>		
Continuing operations	-	230,566	
Discontinued activities	27,543	-	
		27,543	230,566
<b>Profit on disposal of discontinued activities</b>		784,546	-
		784,546	-
<b>Profit on ordinary activities before interest</b>		812,089	230,566
<b>Interest payable and similar charges</b>	<b>5</b>	(21)	(42)
<b>Profit on ordinary activities before taxation</b>		812,068	230,524
<b>Tax on profit on ordinary activities</b>	<b>6</b>	(230,836)	(63,195)
<b>Profit for the year</b>	<b>11</b>	581,232	167,329

There are no recognised gains and losses other than those passing through the profit and loss account



# EAST ROAD PCT & COURIER (WEST LONDON) LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
<b>Fixed assets</b>					
Tangible assets	7		-		67,310
<b>Current assets</b>					
Debtors	8	2,113,154		1,311,572	
Cash at bank and in hand		585		2,299	
		<u>2,113,739</u>		<u>1,313,871</u>	
<b>Creditors amounts falling due within one year</b>	9	<u>(229,830)</u>		<u>(78,504)</u>	
<b>Net current assets</b>			<u>1,883,909</u>		<u>1,235,367</u>
<b>Total assets less current liabilities</b>			<u><u>1,883,909</u></u>		<u><u>1,302,677</u></u>
<b>Capital and reserves</b>					
Called up share capital	10		100		100
Profit and loss account	11		<u>1,883,809</u>		<u>1,302,577</u>
<b>Shareholders' funds</b>	12		<u><u>1,883,909</u></u>		<u><u>1,302,677</u></u>

Approved by the Board and authorised for issue on 17/8/2012



H Lewis  
Director

Company Registration No 04203085

# **EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

## **CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

	£	2011 £	£	2010 £
<b>Net cash (outflow)/inflow from operating activities</b>		(729,560)		45,469
<b>Returns on investments and servicing of finance</b>				
Interest paid	(21)		(42)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(21)		(42)
<b>Taxation</b>		(65,401)		(43,264)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	-		(964)	
<b>Net cash inflow/(outflow) for capital expenditure</b>		-		(964)
<b>Acquisitions and disposals</b>				
Net proceeds on disposal of discontinued activities	793,268		-	
<b>Net cash inflow/(outflow) for acquisitions and disposals</b>		793,268		-
<b>Net cash inflow before management of liquid resources and financing</b>		(1,714)		1,199
<b>Increase in cash in the year</b>		(1,714)		1,199

# EAST ROAD PCT & COURIER (WEST LONDON) LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2011

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2011 £	2010 £
	Operating profit	27,543	230,566
	Depreciation of tangible assets	11,802	15,165
	Loss on disposal of tangible assets	46,786	-
	Increase in debtors	(801,582)	(186,701)
	Decrease in creditors within one year	(14,109)	(13,561)
	<b>Net cash (outflow)/inflow from operating activities</b>	<b>(729,560)</b>	<b>45,469</b>

2	Analysis of net funds	1 January 2011 £	Cash flow £	Other non-cash changes £	31 December 2011 £
	Net cash				
	Cash at bank and in hand	2,299	(1,714)	-	585
	Bank deposits	-	-	-	-
	<b>Net funds</b>	<b>2,299</b>	<b>(1,714)</b>	<b>-</b>	<b>585</b>

3	Reconciliation of net cash flow to movement in net funds	2011 £	2010 £
	(Decrease)/increase in cash in the year	(1,714)	1,199
	<b>Movement in net funds in the year</b>	<b>(1,714)</b>	<b>1,199</b>
	Opening net funds	2,299	1,100
	<b>Closing net funds</b>	<b>585</b>	<b>2,299</b>

# **EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### **1.3 Turnover**

Turnover represents amounts receivable for services net of VAT

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Leasehold property	- 10% on cost
Improvements to property	- 10% on cost
Plant & machinery	- 25% on reducing balance
Computer equipment	- 25% on reducing balance
Fixtures, fittings & equipment	- 25% on reducing balance

#### **1.5 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

#### **1.6 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

### **2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

# **EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

### **3 Cost of sales and net operating expenses**

	<b>2011</b>			<b>2010</b>		
	<b>Continuing</b>	<b>Discontinued</b>	<b>Total</b>	<b>Continuing</b>	<b>Discontinued</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cost of sales	-	1,748,952	1,748,952	1,926,036	-	1,926,036
Administrative expenses	-	669,787	669,787	592,808	-	592,808
	-	2,418,739	2,418,739	2,518,844	-	2,518,844

### **4 Operating profit**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging		
Depreciation of tangible assets	11,802	15,165
Loss on disposal of tangible assets	46,786	-
Operating lease rentals	42,158	43,252
Auditors' remuneration (including expenses and benefits in kind)	1,200	1,200

### **5 Interest payable**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	-	3
On overdue tax	21	39
	21	42

# **EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

<b>6 Taxation</b>	<b>2011 £</b>	<b>2010 £</b>
<b>Domestic current year tax</b>		
U K corporation tax	228,648	63,195
Adjustment for prior years	2,188	-
<b>Total current tax</b>	<b>230,836</b>	<b>63,195</b>
 <b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before taxation	812,068	230,524
 Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.00% (2010 - 28.00%)	211,138	64,547
 Effects of		
Non deductible expenses	32	14
Capital allowances	15,916	3,152
Marginal relief	-	(4,518)
Adjustments to previous periods	2,188	-
Chargeable disposals	(3,108)	-
Other tax adjustments	4,670	-
	19,698	(1,352)
 <b>Current tax charge for the year</b>	<b>230,836</b>	<b>63,195</b>

# EAST ROAD PCT & COURIER (WEST LONDON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

### 7 Tangible fixed assets

	Leasehold property	Improvements to property	Plant & machinery	Fixtures, fittings & equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2011	25,423	89,511	44,187	5,225	164,346
Disposals	(25,423)	(89,511)	(44,187)	(5,225)	(164,346)
At 31 December 2011	-	-	-	-	-
<b>Depreciation</b>					
At 1 January 2011	24,310	34,631	35,168	2,927	97,036
On disposals	(25,423)	(42,725)	(37,236)	(3,454)	(108,838)
Charge for the year	1,113	8,094	2,068	527	11,802
At 31 December 2011	-	-	-	-	-
<b>Net book value</b>					
At 31 December 2011	-	-	-	-	-
At 31 December 2010	1,113	54,880	9,019	2,298	67,310

### 8 Debtors

	2011 £	2010 £
Amounts owed by parent and fellow subsidiary undertakings	2,113,154	1,305,051
Other debtors	-	350
Prepayments and accrued income	-	6,171
	<u>2,113,154</u>	<u>1,311,572</u>

Amounts falling due after more than one year and included in the debtors above are

	2011 £	2010 £
Amounts owed by group undertakings	-	1,305,051

# EAST ROAD PCT & COURIER (WEST LONDON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

9 Creditors, amounts falling due within one year	2011 £	2010 £
Corporation tax	228,630	63,195
Other taxes and social security costs	-	12,191
Accruals and deferred income	1,200	3,118
	<u>229,830</u>	<u>78,504</u>

10 Share capital	2011 £	2010 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

11 Statement of movements on profit and loss account	Profit and loss account £
Balance at 1 January 2011	1,302,577
Profit for the year	<u>581,232</u>
Balance at 31 December 2011	<u>1,883,809</u>

12 Reconciliation of movements in shareholders' funds	2011 £	2010 £
Profit for the financial year	581,232	167,329
Opening shareholders' funds	<u>1,302,677</u>	<u>1,135,348</u>
Closing shareholders' funds	<u>1,883,909</u>	<u>1,302,677</u>

### 13 Contingent liabilities

The company's assets are part of a cross guarantee and debenture security for the group's overdraft and loan facilities. At the year end date this contingency amounted to £nil (2010: £nil).



# EAST ROAD PCT & COURIER (WEST LONDON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

### 14 Financial commitments

At 31 December 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2012

	<b>Land and buildings</b>	
	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating leases which expire in over five years	43,250	43,250

### 15 Directors' remuneration

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	108,432	116,347

### 16 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	<b>2011</b>	<b>2010</b>
	<b>Number</b>	<b>Number</b>
Directors	1	1
Operations	12	12
	13	13

#### Employment costs

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Wages and salaries	367,888	390,168
Social security costs	38,941	41,219
	406,829	431,387



# **EAST ROAD PCT & COURIER (WEST LONDON) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

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### **17 Control**

As in the previous year the ultimate holding company is East Road PCT & Courier plc which owns 70% of the issued share capital

East Road PCT & Courier plc prepares group financial statements and copies can be obtained from 2 Torrano Mews, London, NW5 2RZ

### **18 Related party relationships and transactions**

At the year end East Road PCT & Courier (West London) Limited was owed £2,113,154 (2010 £1,305,051) by East Road PCT & Courier plc, its ultimate parent company

During the year the company paid £103,512 (2010 £96,229) for services supplied by East Road PCT & Courier (Fleet) Limited another subsidiary of East Road PCT & Courier plc These transactions were at open market value

During the year the company received £337,480 (2010 £400,547) of income and paid £295,258 (2010 £405,547) for subcontract charges from/to its parent company The company also paid £83,750 (2010 £54,000) in management charges to its parent company These transactions were at open market value

