

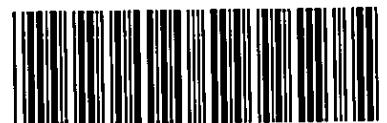
06025920

Premier Fleet Management and Contract Hire Limited

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended
31 December 2008

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COMPANIES HOUSE

Company Registration No. 06025920

Premier Fleet Management and Contract Hire Limited

DIRECTORS AND OFFICERS

DIRECTORS

J Bateson
S Staton
A D Richman
S J Roff

SECRETARY

A D Richman

COMPANY NUMBER

06025920 (England and Wales)

REGISTERED OFFICE

Masters House
107 Hammersmith Road
London W1H 0GH

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

Premier Fleet Management and Contract Hire Limited

DIRECTORS' REPORT

The directors submit their report and the group financial statements of Premier Fleet Management and Contract Hire Limited for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The principal activity of the group during the year was that of the provision of fleet management services, total outsourcing solutions and contract hire within the automotive industry.

REVIEW OF THE BUSINESS

The Directors are satisfied with the results of the group, which are disclosed in the profit and loss account on page 6 of the financial statements.

The group had a highly successful year both on a trading perspective and positioning Premier Fleet Management and Contract Hire Limited and subsidiaries ("Venson") for future growth. The financial targets were exceeded and all key objectives were completed in the year. The financial and business objectives were achieved against a backdrop of recession and a significant fall in the value of used vehicles which affected vehicle disposal profits. In parallel to this, new business opportunities increased four fold providing a strong sales platform for 2009 and onwards. This success was in part due to the company's continued focus on building its reputation for high quality customer service through its Customer First programme, and strengthening its position in the public sector with particular emphasis on the its expertise in areas such as workshop management and equip for service.

The environment was also high on the agenda for the company during 2008, with the introduction of a programme of activities addressing company and client needs. In September 2008, Venson held its inaugural 'Drive Electric' event.

Attended by around 80 fleet decision-makers, the event heralded the company's long term aim of becoming the UK's leading electric vehicle leasing and fleet management provider, a position which will continue to be developed during 2009. Internally, the company car fleet policy was revised to ensure a reduction in CO2 emissions and the company undertook to achieve ISO14001 accreditation by the end of 2009.

Following such a positive performance in 2008 the directors are confident that Venson will achieve strong and profitable growth in the future.

Going concern

Included within creditors due after one year is an amount of £9,713,797 (2007: £9,342,570) due to, Bottin (International) Investments BV ("Bottin BV"). The directors have received confirmation that this funding will not be withdrawn within one year of the date of approval of these financial statements. In addition, Dermot Desmond, the ultimate controlling party of Bottin BV, has agreed to provide financial support, should it be required, to enable the group to meet its external obligations as and when they fall due.

As a result of the current trading profitability of the group, combined with the continued support of Bottin BV and Dermot Desmond, the directors are satisfied of the group's future trading position and consider it appropriate to prepare these accounts on a going concern basis.

Principal risks

The nature of the group's business is to provide risk transfer fixed price rentals for vehicles to private and public sector customers. The principal risk associated with the business is in the repurchase valuations "residual values" set at the outset of each contract. Residual values are set using industry market tools and analysis of vehicle types within the market place. Constant review of the market, guide prices and current disposal performance allows the business to mitigate its risk.

Premier Fleet Management and Contract Hire Limited

DIRECTORS' REPORT

Key performance indicators

Premier Fleet Management and Contract Hire Limited ("Premier");
Gross margin 41.5% (2007: 40.3%)

Venson Automotive Solutions Limited;
The company achieved 98% of the market value on vehicles disposed in the year (2007: 103%).

Venson Nottingham Limited;
In the reporting year the company delivered a vehicle availability performance of 96% (2007: 99.2%)

In the year to 31 December 2008 the company achieved a profit on disposal of fixed assets of £66,228 (2007: £135,100).

Venson Herts Limited;
In the reporting year the company delivered a vehicle availability performance of 94.3% (2007: 92.8%)

Interest Payable

As per Note 4 of the accounts, within the £1,223,743 (2007: £1,105,915) of interest payable, £731,606 (2007: £677,148) relates to group undertakings. This is as a result of the group reorganisation in 2006 and reflects an interest charge ultimately from Bottin BV.

Political Donations

In 2008, Venson Automotive Solutions Limited made a donation of £50,000 to the Conservative party.

DIRECTORS

The following directors have held office since 1 January 2008:

Larkfield Consulting Limited	(resigned 2 February 2008)
Stawell Services Limited	(resigned 2 February 2008)
J. Bateson	(appointed 8 July 2008)
S. Staton	(appointed 8 July 2008)
A D Richman	(appointed 8 July 2008)
S J Roff	(appointed 8 July 2008)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

The auditor, Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

By order of the board



A Richman
Director
1 June 2009

Premier Fleet Management and Contract Hire Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED

We have audited the financial statements on pages 6 to 21

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 31 December 2008 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Baker Tilly UK Audit LLP

Baker Tilly UK Audit LLP
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

1 June 2009

Premier Fleet Management and Contract Hire Limited
CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2008

	<i>Notes</i>	Year ended 31 December 2008 £	Period ended 31 December 2007 £
TURNOVER	1	18,692,923	16,977,110
Cost of sales		(11,078,547)	(10,129,318)
GROSS PROFIT		7,614,376	6,847,792
Other operating expenses	2	(6,974,164)	(6,093,203)
OPERATING PROFIT		640,212	754,589
Investment income	3	4,305	9,464
Interest payable	4	(1,223,743)	(1,105,915)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(579,226)	(341,862)
Taxation	7	1,495,230	(17,467)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	18	916,004	(359,329)

The operating profit for the year arises from the group's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

Premier Fleet Management and Contract Hire Limited

CONSOLIDATED BALANCE SHEET

31 December 2008

	Notes	2008 £	2007 £
FIXED ASSETS			
Goodwill	9	12,226,791	12,884,641
Tangible assets	10	6,558,343	4,124,378
		<u>18,785,134</u>	<u>17,009,019</u>
CURRENT ASSETS			
Stock	12	127,330	202,397
Debtors: amounts falling due within one year	13	12,333,451	12,020,467
Debtors: amounts falling due after more than one year	13	12,430,478	13,754,249
Cash at bank and in hand		542,547	333,623
		<u>25,433,806</u>	<u>26,310,736</u>
CREDITORS: Amounts falling due within one year	14	(20,555,633)	(19,768,396)
NET CURRENT ASSETS		<u>4,878,173</u>	<u>6,542,340</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>23,663,307</u>	<u>23,551,359</u>
CREDITORS: Amounts falling due after more than one year	15	(22,977,550)	(23,673,927)
PROVISIONS FOR LIABILITIES AND CHARGES	16	(129,080)	(236,759)
		<u>556,677</u>	<u>(359,327)</u>
CAPITAL AND RESERVES			
Called up share capital	17	2	2
Profit and loss account	18	556,675	(359,329)
SHAREHOLDERS' FUNDS/(DEFICIT)	19	<u>556,677</u>	<u>(359,327)</u>

The financial statements on pages 6 to 21 were approved by the board of directors and authorised for issue on 1 June 2009 and are signed on its behalf by:



A Richman
Director

Premier Fleet Management and Contract Hire Limited

COMPANY BALANCE SHEET

31 December 2008

	<i>Notes</i>	2008 £	2007 £
FIXED ASSETS			
Investments	11	350,002	350,002
CURRENT ASSETS			
Debtors: amounts falling due after more than one year	13	9,269,297	8,947,570
TOTAL ASSETS		9,619,299	9,297,572
CREDITORS: Amounts falling due in more than one year	15	(9,713,797)	(9,342,570)
		(94,498)	(44,998)
CAPITAL AND RESERVES			
Called up share capital	17	2	2
Profit and loss account	18	(94,500)	(45,000)
SHAREHOLDERS' DEFICIT	19	(94,498)	(44,998)

The financial statements on pages 6 to 21 were approved by the board of directors and authorised for issue on 1 June 2009 and are signed on its behalf by:



A Richman
Director

Premier Fleet Management and Contract Hire Limited

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2008

	Notes	Year ended 31 December 2008 £	Period ended 31 December 2007 £
NET CASHFLOW FROM OPERATING ACTIVITIES	20a	1,986,741	2,814,135
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		4,305	9,464
Interest paid		(1,223,743)	(428,767)
Net cash outflow for returns on investments and servicing of finance		(1,219,438)	(419,303)
TAXATION			
Payment of Corporation Tax		(17,467)	-
CAPITAL EXPENDITURE			
Payments to acquire tangible assets		(2,163,457)	(3,908,410)
Receipts from sales of tangible assets		1,904,165	4,055,287
Net cash (outflow)/inflow for capital expenditure		(259,292)	146,877
ACQUISITIONS AND DISPOSALS			
Purchase of subsidiary undertakings		-	(350,002)
Net overdrafts acquired with subsidiary undertakings		-	(193,881)
Purchase of trade and assets		-	(100,000)
Net overdrafts acquired with trade and assets		-	(612)
Net cash outflow for acquisitions		-	(644,495)
CASH INFLOW BEFORE FINANCING		490,544	1,897,214
FINANCING			
Other new long term loans		731,606	450,000
Repayment of other long term loans		(360,379)	-
Repayment of other short term loans		(67,501)	(2,106,341)
Capital element of hire purchase contracts		(1,099,347)	(166,038)
Net cash outflow from financing		(795,621)	(1,822,379)
(DECREASE)/INCREASE IN CASH IN THE YEAR / PERIOD		(305,077)	74,835

Premier Fleet Management and Contract Hire Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

CONSOLIDATION

The consolidated accounts comprise the accounts of the company together with those of its subsidiary undertakings made up to 31 December 2008 under the acquisition method.

GOING CONCERN

Included within creditors due after one year is an amount due to Bottin (International) Investments BV ("Bottin"), a related party. The directors have received confirmation that this funding will not be withdrawn within one year of the date of approval of these financial statements. In addition, Dermot Desmond, the ultimate controlling party of Bottin has agreed to provide financial support, should it be required, to enable the group to meet its external obligations as and when they fall due. On this basis, the directors consider it appropriate to prepare the accounts on a going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of this financial support.

TURNOVER

Turnover represents the value, net of Value Added Tax, of fit-out fees, commission in respect of operating leases, vehicle rentals, maintenance income, sale of vehicles where the company bears the risks and enjoys the related rewards associated with that sale, reimbursed costs, management fees and income from ancillary services to external clients.

Reimbursed costs represent fleet management costs rechargeable to clients.

AGENCY FUNDING REVENUE

A substantial part of the group's fleet of vehicles are funded on agency terms under which the group acts as an agent for the funder in purchasing, delivering, collecting and selling the vehicle. Revenue in respect of agency contracts is recognised on straight-line basis over the term of the contract.

The group is also responsible for collecting the periodic rentals due from the customers but is not exposed to the credit risk in relation to these rentals.

The group recognised the gross rentals due from customers in respect of the periodic rentals as a debtor and the amounts payable to funders as a creditor.

RESIDUAL VALUES

At the expiry of the agency contract the group is obliged to pay the funder a balloon payment equivalent to the estimated residual value of the vehicle. Following sale of the vehicle the group accounts for the net sale proceeds to the funder up to the level of the estimated residual value. Any excess remains with the group; should there be a shortfall the group is exposed to the loss on the residual values. The amount of the exposure is on a pre-agreed basis with the funder. In complying with FRS 5 Reporting the Substance of Transactions the group has decided to show all of the residual value due as gross receivables in debtors and the corresponding amount due to funders as gross payables in creditors.

The residual values of the vehicles are monitored in accordance with the industry practice and projected losses to the company on end-of-life disposals provided for accordingly.

VEHICLE MAINTENANCE CONTRACTS

During the term of the vehicle contract, the maintenance income element is recognised over the life of the contract in accordance with the industry practice and maintenance expenditure is recognised when incurred.

INVESTMENTS

Long term investments in subsidiary undertakings are shown, and classified as fixed asset investments. Provision is made for any impairment in the value of fixed asset investments.

Premier Fleet Management and Contract Hire Limited

ACCOUNTING POLICIES

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold buildings	over 25 years
Plant, machinery, fixtures, fittings and equipment	10% to 33 1/3% per annum
Motor vehicles	15% to 40% per annum

Vehicles held for hire are depreciated to estimated resale value at the end of the lease, based on industry data. Used vehicles acquired at the expiry of the funding agreement and held for hire are depreciated at 40% per annum.

STOCKS

Motor vehicles parts stock is valued at the lower of cost and net realisable value.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

LESSOR ACCOUNTING

Assets held for use under operating leases are included within fixed assets. Rental income under contract hire is recognised on a straight line basis over the life of the initial contract. On extension of the contract, income is recognised as earned.

Income and costs in respect of daily hire contracts are recognised gross as the group bears the risks and rewards associated with these sales.

PENSION CONTRIBUTIONS

The pension costs charged in the financial statements represent the contributions payable by the group during the year.

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account in accordance with the above depreciation accounting policy.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the length of the lease and represents a constant proportion of the remaining balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as "operating leases" and the annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

GOODWILL

Negative goodwill representing the shortfall of the purchase price compared with the fair value of the net assets acquired is capitalised and written off over 4 years as in the opinion of the directors this represents the period over which the goodwill is effective.

Goodwill represents the excess of the purchase price compared with the fair value of the net assets acquired is capitalised and written off evenly over 20 years as in the opinion of the directors this represents the period over which the goodwill is effective.

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The contributions of the various activities of the group to turnover and loss on ordinary activities before taxation, which are in respect of continuing activities, are set out below:

	Year ended 31 December 2008 £	Period ended 31 December 2007 £
Analysed as:		
Management Fees and ancillary	3,053,362	3,514,083
Reimbursed costs	2,128,257	1,767,614
Fit out	1,099,434	570,115
Lease management and ancillary services	8,699,948	7,466,281
Vehicle sales	3,711,922	3,659,017
	<u>18,692,923</u>	<u>16,977,110</u>

2 OTHER OPERATING EXPENSES

	Year ended 31 December 2008 £	Period ended 31 December 2007 £
Administration expenses	<u>6,974,164</u>	<u>6,093,203</u>

3 INVESTMENT INCOME

	Year ended 31 December 2008 £	Period ended 31 December 2007 £
Bank interest	3,321	9,464
Other interest	984	-
	<u>4,305</u>	<u>9,464</u>

4 INTEREST PAYABLE

	Year ended 31 December 2008 £	Period ended 31 December 2007 £
On bank loans and overdrafts	322,805	370,085
Interest paid to group undertakings	731,606	677,148
Hire purchase interest	155,742	23,190
Other interest	13,590	35,492
	<u>1,223,743</u>	<u>1,105,915</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

5	LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	Year ended 31 December 2008 £	Period ended 31 December 2007 £
	Loss on ordinary activities before taxation is stated after charging/(crediting):		
	Goodwill amortisation	657,850	609,661
	Depreciation of tangible assets:		
	Charge for the year:		
	- owned assets	1,275,535	1,707,771
	- leased assets	491,071	75,098
	Profit on disposals	(126,549)	(1,038,890)
	Operating lease rentals:		
	Land and buildings	287,384	315,320
	Auditors' remuneration : audit	29,000	29,000
	: non-audit	9,450	7,550
		<u>657,850</u>	<u>609,661</u>
6	EMPLOYEES	Year ended 31 December 2008 No.	Period ended 31 December 2007 No.
	The average monthly number of persons (including directors) employed by the group during the year was:	114	115
		<u>114</u>	<u>115</u>
		2008 £	2007 £
	Staff costs for the above persons:		
	Wages and salaries	3,125,080	3,039,916
	Social security costs	295,568	327,331
	Other pension costs	72,460	60,843
		<u>3,493,108</u>	<u>3,428,090</u>
	DIRECTORS' REMUNERATION		2007 £
	Emoluments for qualifying services	512,603	479,428
		<u>512,603</u>	<u>479,428</u>
	Directors' emoluments disclosed above include the following payments in respect of the highest paid director:	2008 £	2007 £
	Emoluments	157,399	168,888
		<u>157,399</u>	<u>168,888</u>
		Number	Number
	The number of directors to whom relevant benefits are accruing under money purchase pension schemes was:	Nil	Nil
		<u>Nil</u>	<u>Nil</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

7	TAXATION	Year ended 31 December 2008 £	Period ended 31 December 2007 £
	UK corporation tax on profits of the year/period	-	-
	Adjustment in respect of prior period	-	17,467
	Total current tax	-	17,467
	Deferred tax current year	392,916	-
	Adjustment in respect of prior periods	(2,015,671)	-
	Change in deferred tax rate	127,525	-
	Total deferred tax credit	(1,495,230)	-
	Total tax (credit)/charge for the year	(1,495,230)	17,467
	Factors affecting tax charge for year:	2008 £	2007 £
	The tax assessed for the year is different than the standard rate of corporation tax in the UK of 28% as explained below:		
	Loss on ordinary activities before tax	(579,226)	(341,862)
	Loss on ordinary activities multiplied by effective rate of corporation tax of 28.5% (2007: 30%)	(165,079)	(102,559)
	Effects of:		
	Expenses not deductible for tax purposes	152,753	8,410
	Capital allowances in excess of depreciation	(205,638)	(422,199)
	Other timing differences	(39,517)	121,997
	Tax losses utilised	-	6,779
	Tax losses carried forward	62,737	203,035
	Other tax adjustments	194,744	184,537
	Adjustments in respect of prior period	-	17,467
	Current tax charge for year	-	17,467

The company has estimated tax losses of £1,041,398 (2007: £821,245) available to carry forward against future trading profits.

No deferred tax has been recognised in respect of the tax losses carried forward due to the uncertainty of the company's ability to utilise these losses.

8 COMPANY PROFIT AND LOSS ACCOUNT

As permitted by Section 230 of the Companies Act 1985, no separate profit and loss account for the company has been presented. The company's retained loss for the year amounted to £49,500 (2007: £45,000 loss).

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

9	GOODWILL				
			Negative Goodwill	Purchased Goodwill	Total £
	Cost:				
	1 January and 31 December 2008		(144,566)	13,638,868	13,494,302
	Amortisation:				
	1 January 2008		(72,283)	681,944	609,661
	Charge for the year		(24,094)	681,944	657,850
	31 December 2008		(96,377)	1,363,888	1,267,511
	Net book value:				
	31 December 2008		(48,189)	12,274,980	12,226,791
	31 December 2007		(72,283)	12,956,924	12,884,641
10	TANGIBLE FIXED ASSETS				
		<i>Freehold land And buildings £</i>	<i>Plant, Machinery, Fixtures, fittings and equipment £</i>	<i>Motor vehicles £</i>	<i>Total £</i>
	Cost:				
	1 January 2008	814,926	1,251,831	7,267,990	9,334,747
	Additions	-	187,879	5,790,308	5,978,187
	Disposals	-	-	(3,441,535)	(3,441,535)
	31 December 2008	814,926	1,439,710	9,616,763	11,871,399
	Depreciation:				
	1 January 2008	141,016	717,103	4,352,250	5,210,369
	Charged in the year	22,597	148,386	1,595,623	1,766,606
	Disposals	-	-	(1,663,919)	(1,663,919)
	31 December 2008	163,613	865,489	4,283,954	5,313,056
	Net book value				
	31 December 2008	651,313	574,221	5,332,809	6,558,343
	31 December 2007	673,910	534,728	2,915,740	4,124,378

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

10 TANGIBLE FIXED ASSETS (Continued)

Included above are assets held under finance leases or hire purchase contracts as follows:

	<i>Fixtures & Fittings</i> £	<i>Motor vehicles</i> £
Net book value		
31 December 2008	60,176	3,056,480
31 December 2007	-	452,804

The net book value of assets utilised by the group in operating lease contracts is £5,045,733 (2007: £2,550,003).

11 FIXED ASSET INVESTMENTS

	Company £
1 January 2008 and 31 December 2008	350,002

SUBSIDIARY UNDERTAKINGS

<i>Name</i>	<i>Country of registration or incorporation</i>	<i>Class of holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
Venson Automotive Solutions Limited	United Kingdom	Ordinary	100%	Fleet Management
Venson Nottingham Limited	United Kingdom	Ordinary	100%	Fleet Management
Venson Properties Limited	United Kingdom	Ordinary	100%	Property Management
Venson Herts Limited	United Kingdom	Ordinary	100%	Fleet Management

12 STOCKS

	Group 2008 £	Company 2008 £	Group 2007 £	Company 2007 £
Motor vehicles parts stock	127,330	-	202,397	-

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

13	DEBTORS	Group 2008 £	Company 2008 £	Group 2007 £	Company 2007 £
	Amounts falling due within one year:				
	Trade debtors	2,656,141	-	3,504,276	-
	Vehicles subject to repurchase agreements	8,332,666	-	8,118,756	-
	Other debtors	537,068	-	154,429	-
	Prepayments and accrued income	807,576	-	243,006	-
		<u>12,333,451</u>	<u>-</u>	<u>12,020,467</u>	<u>-</u>
		Group 2008 £	Company 2008 £	Group 2007 £	Company 2007 £
	Amounts falling due after more than one year:				
	Vehicles subject to repurchase agreements	10,935,248	-	13,754,249	-
	Amounts owed by group undertakings	-	9,269,297	-	8,947,570
	Other debtors	1,495,230	-	-	-
		<u>12,430,478</u>	<u>9,269,297</u>	<u>13,754,249</u>	<u>8,947,570</u>

Included in other debtors due after more than one year is a deferred tax asset of £1,495,230 (2007: £nil).

14	CREDITORS: Amounts falling due within one year	Group 2008 £	Company 2008 £	Group 2007 £	Company 2007 £
	Bank overdraft	772,789	-	258,788	-
	Bank loans	4,112,731	-	4,148,536	-
	Vehicles subject to repurchase agreements	8,332,666	-	8,118,756	-
	Obligations under finance lease and hire purchase contracts	1,082,923	-	150,633	-
	Trade creditors	1,703,602	-	1,825,945	-
	Corporation Tax	-	-	17,467	-
	Taxes and social security costs	26,905	-	386,057	-
	Other creditors	3,577,189	-	4,244,545	-
	Accruals and deferred income	946,828	-	617,669	-
		<u>20,555,633</u>	<u>-</u>	<u>19,768,396</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

15	CREDITORS: Amounts falling due in more than one year	Group 2008 £	Company 2008 £	Group 2007 £	Company 2007 £
	Bank loans	268,922	-	300,618	-
	Other loans	9,713,797	9,713,797	9,342,570	9,342,570
	Vehicles subject to repurchase agreements	10,935,248	-	13,754,249	-
	Obligations under finance leases and hire purchase agreements	2,059,583	-	276,490	-
		<u>22,977,550</u>	<u>9,713,797</u>	<u>23,673,927</u>	<u>9,342,570</u>
		Group 2008 £	Company 2008 £	Group 2007 £	Company 2007 £
	Vehicles subject to repurchase agreements:				
	Included in current liabilities	8,332,666	-	8,118,756	-
	In more than one year but not more than two years	5,033,119	-	7,411,290	-
	In more than two years but not more than five years	5,902,129	-	6,342,959	-
		<u>19,267,914</u>	<u>-</u>	<u>21,873,005</u>	<u>-</u>
		Group 2008 £	Company 2008 £	Group 2007 £	Company 2007 £
	Obligations under finance leases and hire purchase contracts:				
	Repayable within one year	1,082,923	-	150,633	-
	Repayable between two and five years	2,059,583	-	276,490	-
		<u>3,142,506</u>	<u>-</u>	<u>427,123</u>	<u>-</u>

Obligations under finance lease and hire purchase agreements are secured by related assets and bear Finance charges at rates ranging from 0% to 7.3%.

16	PROVISION FOR LIABILITIES AND CHARGES	£
	Deferred taxation:	
	1 January 2008	236,759
	Contract costs provision utilised	(107,679)
	31 December 2008	<u>129,080</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

17	SHARE CAPITAL			2008 £	2007 £
	Authorised:				
	1,000 Ordinary shares of £1 each			1,000	1,000
	Allotted, issued and fully paid:				
	2 Ordinary shares of £1 each			2	2
18	PROFIT AND LOSS ACCOUNT			Group £	Company £
	1 January 2008			(359,329)	(45,000)
	Profit/(loss) for the year			916,004	(49,500)
	31 December 2008			556,675	(94,500)
19	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	Group 2008 £	Company 2008 £	Group 2007 £	Company 2007 £
	Profit/(loss) for the financial year	916,004	(49,500)	(325,329)	(45,000)
	Opening shareholders' (deficit)/funds	(359,327)	(44,998)	2	2
	Closing shareholders' deficit	556,677	(94,498)	(359,327)	(44,998)
20	CONSOLIDATED CASH FLOWS			2008 £	2007 £
a	Reconciliation of operating profit to net cash outflow from operating activities				
	Operating profit			640,212	754,589
	Depreciation of tangible assets			1,766,606	1,782,869
	Profit on disposal of tangible assets			(126,549)	(1,038,890)
	Decrease/(increase) in stocks			75,067	(78,135)
	Increase/(decrease) in debtors			(99,074)	684,827
	(Decrease)/increase in creditors			(819,692)	126,454
	Decrease in provision			(107,679)	(27,241)
	Amortisation of goodwill			657,850	609,662
	Net cash flow from operating activities			1,986,741	2,814,135

Premier Fleet Management and Contract Hire Limited

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for the year ended 31 December 2008

20 CONSOLIDATED CASH FLOWS (Continued)

b	Analysis of net debt	At 31 December 2007 £	Net Cash Flows £	Other non-cash changes £	At 31 December 2008 £
	Net cash:				
	Cash at bank and in hand	333,623	208,924	-	542,547
	Bank overdrafts	(258,788)	(514,001)	-	(772,789)
		<u>74,835</u>	<u>(305,077)</u>	<u>-</u>	<u>(230,242)</u>
	Debt:				
	Finance leases	(427,123)	1,099,347	(3,814,730)	(3,142,506)
	Debts falling due within one year	(4,148,536)	35,805	-	(4,112,731)
	Debts falling due after one year	(9,643,188)	(339,531)	-	(9,982,719)
	Net debt	<u>(14,144,012)</u>	<u>490,544</u>	<u>(3,814,730)</u>	<u>(17,468,198)</u>
c	Reconciliation of net cash flow to movement in net debt			2008 £	2007 £
	(Decrease)/increase in cash in the year			(305,077)	74,835
	Cash outflow from decrease in debt and finance leases			795,621	1,145,233
	Loans and finance leases acquired with subsidiaries			-	(14,919,584)
	Loans and finance leases acquired with trade and assets			-	(69,560)
	New finance leases			(3,814,730)	(374,936)
	Movement in net debt in the year			(3,324,186)	(14,144,012)
	Opening net debt			(14,144,012)	-
	Closing net debt			<u>(17,468,198)</u>	<u>(14,144,012)</u>

21 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2008 the company had annual commitments under non-cancellable leases as follows:

	2008 £	2007 £
Land and buildings		
expiring in the first year	113,857	113,857
expiring in the second to fifth year	153,000	153,000
	<u>266,857</u>	<u>266,857</u>

22 CONTROL

The ultimate parent company is Bottin (International) Investment Limited ("Bottin"), a company registered in Gibraltar.

Mr Dermot Desmond has the ability to exercise dominant influence over Bottin.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2008

23 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in FRS 8 that transactions do not need to be disclosed with companies where 90% of the voting rights are controlled within the group.

At the year end Bottin (International) Investments B.V. ("Bottin BV") was owed £9,713,797 (2007 £9,342,570) by the company. Interest of £731,606 has been accrued on this balance as at 31 December 2008 and £360,379 was paid in the year.

The directors have received confirmation that the funding received from Bottin BV will not be withdrawn within one year from the date of approval of these financial statements. Dermot Desmond has agreed to provide financial support, should it be required, to enable the group to meet its external obligations as and when they fall due.