

Premier Fleet Management and Contract Hire Limited

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended
31 December 2013



Premier Fleet Management and Contract Hire Limited

DIRECTORS AND OFFICERS

DIRECTORS

J G Bateson
S J Staton
S J Roff

SECRETARY

J G Bateson

COMPANY NUMBER

06025920 (England and Wales)

REGISTERED OFFICE

Masters House
107 Hammersmith Road
London W14 0QH

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
3rd Floor
One London Square
Cross Lanes
Guildford
Surrey GU1 1UN

Premier Fleet Management and Contract Hire Limited

STRATEGIC REPORT

The directors submit their strategic report for Premier Fleet Management and Contract Hire Limited ("Premier") for the year ended 31 December 2013.

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 Directors are able to announce that the group hit its key financial target for 31 December 2013 with another record high EBITDA of £9,212,713 (2012: £7,594,343), against a turnover of £25,082,431 (2012: £24,520,645). The group ended the year with £868,802 cash at bank (2012: £2,676,878).

Operationally the group's continued focus on "Customer First" resulted in a number of contract wins during 2013, with Venson Automotive Solutions Ltd (VAS) recording a customer retention of 95% (2012: 96%).

The public sector businesses in Hertfordshire and Nottinghamshire continue to contribute to the group's overall results with an EBITDA of £1,585,998 (2012: £1,404,782). The EBITDA from the public sector businesses and the capacity for expansion provide a platform to achieve strong and profitable growth in the future.

Going concern

Included within creditors due after one year is an amount of £7,452,241 (2012: £6,949,328) due to Bottin (International) Investments BV ("Bottin BV"), a company under common control. The directors have received confirmation that this funding will not be withdrawn within one year of the date of approval of these financial statements.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 Premier and Bottin BV, has agreed to provide financial support, should it be required, to enable the group to meet its external obligations for at least 12 months from the date of these financial statements.

As a result of the current trading result of the group, combined with the continued support of Bottin BV and Dermot Desmond, the directors are satisfied with 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.

Key performance indicators

Premier Fleet Management and Contract Hire Limited;
Gross margin 34.5% (2012: 34.2%)

Venson Automotive Solutions Limited;
The company achieved 103% of the market value on vehicles disposed in the year (2012: 103%). This reflects changes in the market but continues to perform in line with industry expectations.

Venson Nottingham Limited;
In the reporting year the company delivered a vehicle availability performance of 98.8% (2012: 99.2%).

In the year to 31 December 2013 the company achieved a profit on disposal of fixed assets of £79,021 (2012: £64,066).

Premier Fleet Management and Contract Hire Limited

STRATEGIC REPORT

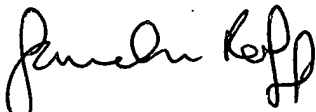
Venson Herts Limited;

In the reporting period the company delivered a vehicle availability performance of 93.8% (2012: 95.4%).

Interest Payable

As per note 4 of the accounts, within the £1,978,188 (2012: £1,733,326) of interest payable, £633,977 (2012: £572,546) relates to group undertakings.

By order of the board



S J Roff
Director

17 October 2014

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 ("Premier") for the year ended 31 December 2013.

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.

DIRECTORS

The following directors have held office since 1 January 2013:

J G Bateson
S J Staton
S J Roff

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors have confirmed that, as far as they are aware, 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



S J Roff
Director

17 October 2014

Premier Fleet Management and Contract Hire Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report and 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 group and the company and of the profit or loss of the group for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 PREMIER FLEET MANAGEMENT AND CONTRACT HIRE LIMITED

We have audited the group and parent company financial statements (the "financial statements") on pages 7 to 26. 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 more fully explained in the Directors' Responsibilities Statement set out on page 4, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2013 and of the group's loss 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.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Baker Tilly UK Audit LLP

Perry Linton FCA (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
3rd Floor
One London Square
Cross Lanes
Guildford
GU1 1UN

17 October 2014

Premier Fleet Management and Contract Hire Limited
CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2013

	Notes	2013 £	2012 £
TURNOVER	1	25,082,431	24,520,645
Cost of sales		(16,420,710)	(16,133,828)
GROSS PROFIT		<u>8,661,721</u>	<u>8,386,817</u>
Other operating expenses	2	(5,770,683)	(5,452,635)
EARNINGS BEFORE INTEREST, TAX AND DEPRECIATION		<u>2,891,038</u>	<u>2,934,182</u>
Depreciation and amortisation	2	(2,493,056)	(2,252,602)
OPERATING PROFIT		<u>397,982</u>	<u>681,580</u>
Investment income	3	4,041	1,118
Interest payable	4	(855,187)	(794,105)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	5	<u>(453,164)</u>	<u>(111,407)</u>
Taxation	7	(223,430)	(185,423)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	17	<u><u>(676,594)</u></u>	<u><u>(296,830)</u></u>

The operating profit for the period 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 (Company Registration Number: 06025920)
31 December 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Goodwill	9	8,940,092	9,597,092
Tangible assets	10	<u>27,159,168</u>	<u>27,708,254</u>
		36,099,260	37,305,346
CURRENT ASSETS			
Stock	12	227,078	197,778
Debtors: amounts falling due within one year	13	15,427,937	8,899,661
Debtors: amounts falling due after more than one year	13	19,435,113	19,286,574
Cash at bank and in hand		868,802	2,676,878
		<u>35,958,930</u>	<u>31,060,891</u>
CREDITORS: Amounts falling due within one year	14	(28,432,597)	(22,414,163)
NET CURRENT ASSETS		<u>7,526,333</u>	<u>8,646,728</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>43,625,593</u>	<u>45,952,074</u>
CREDITORS: Amounts falling due after more than one year	15	(40,711,930)	(42,361,817)
NET ASSETS		<u>2,913,663</u>	<u>3,590,257</u>
CAPITAL AND RESERVES			
Called up share capital	16	10	10
Share Premium	17	3,999,992	3,999,992
Profit and loss account	17	(1,086,339)	(409,745)
SHAREHOLDERS' FUNDS	18	<u>2,913,663</u>	<u>3,590,257</u>

The financial statements on pages 7 to 26 were approved by the board of directors and authorised for issue on 17 October 2014 and are signed on its behalf by:



S J Roff
 Director

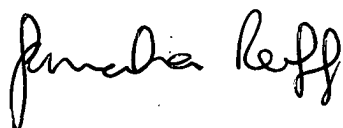
Premier Fleet Management and Contract Hire Limited

COMPANY BALANCE SHEET (Company Registration Number: 06025920)

31 December 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Investments	11	4,800,002	4,800,002
CURRENT ASSETS			
Debtors: amounts falling due within one year	13	1,295	151,937
Debtors: amounts falling due after more than one year	13	7,373,013	7,196,708
		<u>7,374,308</u>	<u>7,348,645</u>
CREDITORS: Amounts falling due within one year	14	(9,000)	(128,421)
NET CURRENT ASSETS		<u>7,365,308</u>	<u>7,220,224</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,165,310</u>	<u>12,020,226</u>
CREDITORS: Amounts falling due after more than one year	15	(7,549,855)	(7,106,004)
NET ASSETS		<u><u>4,615,455</u></u>	<u><u>4,914,222</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	10	10
Share Premium	17	3,999,992	3,999,992
Profit and loss account	17	615,453	914,220
SHAREHOLDERS' FUNDS	18	<u><u>4,615,455</u></u>	<u><u>4,914,222</u></u>

The financial statements on pages 7 to 26 were approved by the board of directors and authorised for issue on 17 October 2014 and are signed on its behalf by:



S J Roff
Director

Premier Fleet Management and Contract Hire Limited
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2013

		£	£
NET CASHFLOW FROM OPERATING ACTIVITIES	20a	11,020,626	9,693,538
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		4,041	1,118
Other interest paid		(806,122)	(196,338)
Interest paid on hire purchase contracts		(1,172,066)	(988,963)
Net cash outflow for returns on investments and servicing of finance		<u>(1,974,147)</u>	<u>(1,184,183)</u>
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(8,395,278)	(3,893,505)
Receipts from sales of tangible fixed assets		2,024,606	2,643,262
Net cash outflow for capital expenditure		<u>(6,370,672)</u>	<u>(1,250,243)</u>
CASH INFLOW BEFORE FINANCING		<u>2,675,807</u>	<u>7,259,112</u>
FINANCING			
Other New Long Term Loans		4,638,000	-
Repayment of other long term loans		(3,114,306)	(1,054,678)
Repayment of other short term loans		(41,926)	(42,692)
Capital element of hire purchase contracts		(5,965,651)	(4,389,630)
Net cash outflow from financing		<u>(4,483,883)</u>	<u>(5,487,000)</u>
(DECREASE)/INCREASE IN CASH IN THE PERIOD		<u><u>(1,808,076)</u></u>	<u><u>1,772,112</u></u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

BASIS OF ACCOUNTING

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

CONSOLIDATION

The consolidated financial statements incorporate those of the company and all of its subsidiary undertakings for the year. The difference between the cost of acquisition of shares in subsidiaries and the fair value of the separable net assets acquired is capitalised as purchased goodwill and amortised, whether negative or positive, through the profit and loss account over its estimated economic life. Provision is made for any impairment. All financial statements are made up to 31 December 2013.

GOING CONCERN

Included within creditors due after one year are loans of £7,452,241 (2012: £6,949,327) from Bottin (International) Investments BV ("Bottin"), a company under common control. 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 Premier and Bottin has agreed to provide financial support, should it be required, to enable the group to meet its external obligations for at least 12 months from the date of these financial statements. 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. Turnover is recognised at the point of delivery of services or when the right to receive commission arises.

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.

RESIDUAL VALUES

At the expiry of an 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

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less accumulated depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets, other than freehold land, 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 under non-HP agreements	25% to 40% per annum
Motor vehicles under HP agreements	see below

Motor vehicles under HP agreements are depreciated on an actuarial basis. This is computed using an Internal Rate of Return as is permitted under FRS 15. The company believes this gives a true and fair view of the consumption of economic benefits as it matches the depreciation charge with the income and interest generated from the vehicle.

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 various rates depending on the associated funding mechanism.

STOCKS

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 company'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. Deferred tax assets are only recognised to the extent that they are deemed recoverable.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been substantively enacted by the balance sheet date.

Deferred tax is measured on a non-discounted basis.

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 to money purchase pension schemes during the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

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 obligations under lease and hire purchase contracts within creditors. Depreciation on the relevant assets is charged to the profit and loss account in accordance with the above depreciation accounting policy.

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

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 component of repayments 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 2013

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The group's turnover and profit on ordinary activities before taxation were all derived from its principal activities wholly undertaken in the United Kingdom.

The contributions of the various activities of the group to turnover are set out below:

	2013 £	2012 £
Analysed as:		
Management fees and ancillary	4,315,012	3,757,793
Reimbursed costs	1,710,708	1,636,898
Fit out	537,030	2,627,814
Lease management and ancillary services	14,619,059	12,853,181
Vehicle sales	3,900,622	3,644,959
	<u>25,082,431</u>	<u>24,520,645</u>

2 OTHER OPERATING EXPENSES

	2013 £	2012 £
Administrative expenses	5,770,683	5,452,635
Depreciation and amortisation	7,691,431	5,973,541
	<u>13,462,114</u>	<u>11,426,176</u>
Depreciation of motor vehicles under hire purchase agreements included in cost of sales	(5,198,375)	(3,720,939)
	<u>8,263,739</u>	<u>7,705,237</u>

3 INVESTMENT INCOME

	2013 £	2012 £
Bank interest	<u>4,041</u>	<u>1,118</u>

4 INTEREST PAYABLE

	2013 £	2012 £
On bank loans and overdrafts	172,145	171,817
Interest payable to group undertakings	633,977	572,546
Hire purchase interest	1,172,066	988,963
	<u>1,978,188</u>	<u>1,733,326</u>
Included in cost of sales	(1,123,001)	(939,221)
	<u>855,187</u>	<u>794,105</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2013 £	2012 £
Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting):		
Amortisation of goodwill	657,000	657,000
Depreciation of tangible fixed assets:		
Charge for the year:		
- owned assets	1,648,201	1,460,939
- leased assets	5,386,230	3,855,602
Profit on disposal of fixed assets.	(114,672)	(83,601)
Operating lease rentals:		
Land and buildings	547,571	491,315
Auditors remuneration:		
audit	55,375	32,500
non-audit	9,925	9,000
	<u>657,000</u>	<u>657,000</u>

6 EMPLOYEES

	2013 No.	2012 No.
The average monthly number of persons (including directors)		
Sales	3	3
Administration	75	75
Technical	38	38
employed by the company during the year was:	<u>116</u>	<u>116</u>

	2013 £	2012 £
Staff costs for the above persons:		
Wages and salaries	3,818,892	3,773,287
Social security costs	401,745	409,145
Other pension costs	44,388	33,469
	<u>4,265,025</u>	<u>4,215,901</u>

	2013 £	2012 £
DIRECTORS' REMUNERATION		
Emoluments for qualifying services	308,518	320,587
Pension costs	4,061	4,056
	<u>312,579</u>	<u>324,643</u>

	2013 £	2012 £
Directors emoluments disclosed above include the following payments in respect of the highest paid director:	<u>169,312</u>	<u>174,305</u>

	2013 No.	2012 No.
The number of directors to whom retirement benefits are accruing under money purchase schemes was:	<u>1</u>	<u>1</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

7 TAXATION

	2013 £	2012 £
UK corporation tax on profits of the year	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred tax current year	(260,098)	119,425
Deferred tax adjustments for prior years	442,968	20,000
Deferred tax rate change	40,560	45,998
Total deferred tax	<u>223,430</u>	<u>185,423</u>
Total tax charge for the year	<u>223,430</u>	<u>185,423</u>
Factors affecting tax charge for the year:		
Profit on ordinary activities before taxation	<u>(453,164)</u>	<u>(111,407)</u>
Profit on ordinary activities multiplied by a composite rate of corporation tax of 23.25% (2012: 24%)	(105,361)	(26,738)
Effects of:		
Non-deductible expenses	199,583	225,165
Depreciation in excess of capital allowances	265,943	(119,425)
Other timing differences	(121,431)	(39,897)
Other permanent differences	(1,243)	-
Tax losses utilised	(237,491)	(39,105)
Current tax credit for the year	<u>-</u>	<u>-</u>

The group has estimated tax losses of £2,583,686 (2012: £1,688,009) available to carry forward against future trading profits.

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

8 COMPANY PROFIT AND LOSS ACCOUNT

As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account for the company has been presented. The company's retained loss for the year amounted to £298,767 (2012: £Nil profit).

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

9 GOODWILL

	Negative goodwill £	Goodwill £	Total £
Cost:			
1 January 2013 and 31 December 2013	<u>(144,566)</u>	<u>13,638,868</u>	<u>13,494,302</u>
Amortisation:			
1 January 2013	(144,566)	4,041,776	3,897,210
Charge for the year	-	657,000	657,000
31 December 2013	<u>(144,566)</u>	<u>4,698,776</u>	<u>4,554,210</u>
Net book value:			
31 December 2013	<u>-</u>	<u>8,940,092</u>	<u>8,940,092</u>
31 December 2012	<u>-</u>	<u>9,597,092</u>	<u>9,597,092</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

10 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant, machinery fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost:				
1 January 2013	814,926	3,497,552	34,935,716	39,248,194
Additions	-	203,685	8,191,593	8,395,278
Disposals	-	(450,582)	(3,927,838)	(4,378,420)
31 December 2013	<u>814,926</u>	<u>3,250,655</u>	<u>39,199,471</u>	<u>43,265,052</u>
Depreciation:				
1 January 2013	254,001	2,044,291	9,241,648	11,539,940
Charge for the year	22,598	401,487	6,610,346	7,034,431
Disposals	-	(450,582)	(2,017,905)	(2,468,487)
31 December 2013	<u>276,599</u>	<u>1,995,196</u>	<u>13,834,089</u>	<u>16,105,884</u>
Net book value:				
31 December 2013	<u>538,327</u>	<u>1,255,459</u>	<u>25,365,382</u>	<u>27,159,168</u>
31 December 2012	<u>560,925</u>	<u>1,453,261</u>	<u>25,694,068</u>	<u>27,708,254</u>

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

	Fixtures & fittings £	Motor vehicles £	Total £
Net book value:			
31 December 2013	<u>121,403</u>	<u>20,155,075</u>	<u>20,276,478</u>
31 December 2012	<u>163,480</u>	<u>21,772,033</u>	<u>21,935,513</u>

Included in Motor Vehicles, above, are vehicles utilised by the company in operating lease contracts as follows:

	Cost £	Accumulated Depreciation £	Net Book Value £
Net book value:			
31 December 2013	<u>38,575,939</u>	<u>(10,081,980)</u>	<u>24,949,792</u>
31 December 2012	<u>34,230,233</u>	<u>(9,055,250)</u>	<u>25,174,983</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

11 FIXED ASSET INVESTMENTS

Cost and net book value:
1 January 2013 and 31 December 2013 £
4,800,002

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 Ltd	United Kingdom	Ordinary	100%	Fleet Management
Venson Nottingham Ltd	United Kingdom	Ordinary	100%	Fleet Management
Venson Properties Ltd	United Kingdom	Ordinary	100%	Property Management
Venson Herts Ltd	United Kingdom	Ordinary	100%	Fleet Management

12 STOCKS

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Parts stock	<u>227,078</u>	<u>-</u>	<u>197,778</u>	<u>-</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

13 DEBTORS

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Amounts falling due within one year:				
Trade debtors	6,388,166	-	3,911,204	-
Net investment in vehicles let under finance leases	365,283	-	-	-
Vehicles subject to repurchase agreements	5,697,863	-	4,140,849	-
Amounts owed by group undertakings	-	-	-	128,421
Other debtors	2,314,104	-	288,972	-
Prepayments and accrued income	662,521	1,295	558,635	23,516
	<u>15,427,937</u>	<u>1,295</u>	<u>8,899,660</u>	<u>151,937</u>

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Amounts falling due after more than one year:				
Net investment in vehicles let under finance leases	870,007	-	-	-
Vehicles subject to repurchase agreements	18,322,097	-	18,820,135	-
Amounts owed by group undertakings	-	7,373,013	-	7,196,708
Other debtors	243,009	-	466,439	-
	<u>19,435,113</u>	<u>7,373,013</u>	<u>19,286,574</u>	<u>7,196,708</u>

Vehicles totalling £1,235,290 (2012: £Nil) at cost have been acquired during the year for the purpose of leasing under finance leases. These are not included within tangible fixed assets as the risk of ownership has passed to the lessee. The future rentals due on these contracts are shown as net investment in vehicles under finance leases above. Of these rentals, £870,007 (2012: £Nil) are due after one year.

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

Included within other debtors due after more than one year is a deferred tax asset of £243,009 (2012: £466,439) in respect of accelerated capital allowances.

Deferred taxation:		£
1 January 2013		466,439
Transfer to profit and loss account		(223,430)
31 December 2013		<u>243,009</u>

	2013 £	2012 £
Deferred tax has been provided in the financial statements at a rate of 21% (2012: 23%) as follows:		

Excess of depreciation over capital allowances	<u>243,009</u>	<u>466,439</u>
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	2013 £	2012 £
Deferred tax has not been provided on tax losses and other timing differences not deemed recoverable as follows:		

On tax losses available at 21%	542,574	388,242
Other timing differences	-	2,795
	<u>542,574</u>	<u>391,037</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

14 CREDITORS: Amounts falling due within one year

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Bank Loans	4,680,638	-	3,040,845	-
Group loans	96,316	-	128,421	128,421
Vehicles subject to repurchase agreements	5,697,863	-	4,140,849	-
Obligations under finance leases and hire purchase contracts	5,419,021	-	5,261,257	-
Trade creditors	5,722,051	-	4,689,492	-
Taxes and social security costs	746,223	-	679,742	-
Other creditors	1,927,552	-	1,952,220	-
Accuals and deferred income	4,142,933	9,000	2,521,337	-
	<u>28,432,597</u>	<u>9,000</u>	<u>22,414,163</u>	<u>128,421</u>

Bank loans consists of two loans which are secured on the assets of the relevant subsidiaries which are in receipt of the funding.

The balance on loan one at 31 December 2013 was £105,385 (2012: £147,310). The loan is repayable by instalments and bears interest at 1.75% above LIBOR.

The balance on loan two at 31 December 2013 was £4,638,000 (2012: £3,000,000). The 2012 bank loan was secured on Venson Nottingham Ltd's assets and interest was charged at 3.5% per annum. This loan was repayable in full in December 2012 and refinanced in January 2013. The new bank loan is also secured on Venson Nottingham Ltd's assets, runs for a period of three years, and is refreshed every three months based on the value of the secured assets and as such has been classified as due within one year. Interest is effectively charged at 6.5% per annum.

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

15 CREDITORS: Amounts falling due after more than one year

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Bank Loans	62,747	-	106,465	-
Group loans	7,452,241	7,549,855	6,949,328	7,106,004
Vehicles subject to repurchase agreements	18,322,097	-	18,820,135	-
Obligations under finance leases and hire purchase contracts	14,874,845	-	16,485,889	-
	<u>40,711,930</u>	<u>7,549,855</u>	<u>42,361,817</u>	<u>7,106,004</u>

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Bank loans:				
Repayable within one year	4,680,638	-	3,040,845	-
Repayable between one and two years	44,007	-	42,490	-
Repayable between two and five years	18,740	-	63,975	-
	<u>4,743,385</u>	<u>-</u>	<u>3,147,310</u>	<u>-</u>

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Vehicles subject to repurchase agreements				
Repayable within one year	5,697,863	-	4,140,849	-
Repayable between one and two years	7,730,461	-	5,438,951	-
Repayable between two and five years	10,591,636	-	13,381,185	-
	<u>24,019,960</u>	<u>-</u>	<u>22,960,985</u>	<u>-</u>

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Obligations under finance leases and hire purchase agreements				
Repayable within one year	5,419,021	-	5,261,257	-
Repayable between one and two years	5,872,872	-	6,489,995	-
Repayable between two and five years	9,001,973	-	9,995,894	-
	<u>20,293,866</u>	<u>-</u>	<u>21,747,146</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%.

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

16 SHARE CAPITAL

	2013 £	2012 £
Allotted, issued and fully paid 10 Ordinary shares of £1 each	<u>10</u>	<u>10</u>

17 RESERVES

Group	Share premium £	Profit and loss account £
1 January 2013	3,999,992	(409,745)
Loss for the year	-	(676,594)
31 December 2013	<u>3,999,992</u>	<u>(1,086,339)</u>

Company	Share premium £	Profit and loss account £
1 January 2013	3,999,992	914,220
Loss for the year	-	(298,766)
31 December 2013	<u>3,999,992</u>	<u>615,454</u>

18 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Group 2013 £	Company 2013 £	Group 2012 £	Company 2012 £
Loss for the year	(676,594)	(298,767)	(296,830)	-
Opening shareholders' funds	3,590,257	4,914,222	3,887,087	4,914,222
Closing shareholders' funds	<u>2,913,663</u>	<u>4,615,455</u>	<u>3,590,257</u>	<u>4,914,222</u>

19 PENSION COMMITMENTS

The group operates a defined contribution pension scheme whose assets are held separately from those of the group in an independently administered fund. The pension cost represents contributions payable by the group amounted to £44,387 (2012: £33,469).

There were £6,632 (2012: £6,806) unpaid pension contributions at the year end.

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

20 NOTES TO THE CASH FLOW STATEMENT

(a)

	2013 £	2012 £
Reconciliation of operating profit to net cash outflow from operating activities		
Operating profit	397,982	681,580
Depreciation of tangible fixed assets	7,034,431	5,316,541
Profit on disposal of fixed assets	(114,670)	(83,601)
Increase in stocks	(29,300)	(19,393)
Decrease/(increase) in debtors	(6,858,352)	734,919
Increase/(decrease) in creditors	8,810,534	1,525,429
Decrease in provision	-	(58,158)
Amortisation of goodwill	657,000	657,000
Hire purchase interest included in cost of sales	1,123,001	939,221
Net cash flow from operating activities	<u>11,020,626</u>	<u>9,693,539</u>

(b)

	At 1 January 2013 £	Net cash flows £	Other non-cash changes £	At 31 December 2013 £
Net cash:				
Cash at bank and in hand	2,676,878	(1,808,076)	-	868,802
	<u>2,676,878</u>	<u>(1,808,076)</u>	<u>-</u>	<u>868,802</u>
Debt:				
Finance leases	(21,747,147)	7,326,763	(5,873,482)	(20,293,866)
Debts falling due within one year	(3,169,266)	(1,464,308)	(143,381)	(4,776,955)
Debts falling due after one year	(7,055,792)	-	(459,195)	(7,514,987)
	<u>(29,295,327)</u>	<u>4,054,379</u>	<u>(6,476,058)</u>	<u>(31,717,006)</u>

Non-cash charges relate to interest payable on loans that has been rolled into the loan balance rather than repaid, and non-cash movements on finance leases in the year.

(c)

	2013 £	2012 £
Reconciliation of net cash flow to movement in net debt		
Increase/(decrease) in cash in the period	(1,808,076)	1,772,112
Cash outflow from decrease in debt and finance leases	5,862,455	5,485,153
New finance leases	(5,873,482)	(13,909,177)
Accrued interest	(602,576)	(548,025)
Movement in net debt in the period	<u>(2,421,679)</u>	<u>(7,199,937)</u>
Opening net debt	(29,295,327)	(22,095,390)
Closing net debt	<u>(31,717,006)</u>	<u>(29,295,327)</u>

21 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2013 the group had annual commitments under non-cancellable leases as follows:

	2013 £	2012 £
Land and buildings: expiring within two to five years	<u>569,000</u>	<u>499,000</u>

Premier Fleet Management and Contract Hire Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

22 CONTROL

The group's immediate parent undertaking is Line Nominees Limited, a company registered in Gibraltar. The group's ultimate parent undertaking is The Apple Limited Partnership.

Mr Dermot Desmond has the ability to exercise dominant influence over The Apple Limited Partnership.

23 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions provided by Financial Reporting Standard Number 8 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

At the period end Bottin (International) Investments BV ("Bottin BV") a company under common control, was owed £7,549,855 (2012: £7,077,749) by the company. Interest of £654,263 (2012: £549,874) has been accrued on this balance as at 31 December 2013, interest of £10,692 (2012: £22,672) 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.

Sales made to S Roff, a director of the company, during the year amounted to £5,544 (2012: £3,410). There were no amounts outstanding at the end of the year (2012: Nil).

The group is related to International Investment & Underwriting Limited ("IIU Ltd") by virtue of a common director. During the year there were purchases of £Nil (2012: £2,962) from IIU Ltd, and at 31 December there was an amount of £Nil (2012: £2,962) outstanding in respect of these purchases.

24 CAPITAL COMMITMENTS

The group was committed to £99,000 (2012: £Nil) of capital expenditure at the year end in respect of new workshop facilities in York.